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## Southeast Asia Report

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28 September 1984

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EDITORIAL PARTS FROM GOVERNMENT VIEW ON SRV

Canberra THE AUSTRALIAN in English 6 Aug 84 p 6

[Editorial: "Vietnam's Brutal Rule"]

[Text]

NEWS that Vietnamese troops have shelled a refugee camp on the border between Thailand and Kampuchea, forcing 2000 refugees to flee into Thailand and causing heavy casualties, is a further reminder of the brutal subjugation to which Vietnam subjects Kampuchea.

It is clear that Vietnam is utterly determined to exercise its hegemony over Indo-China. It is in effective control of Laos, it keeps an army of occupation of some 160,000 troops in Kampuchea. Previous highly publicised Vietnamese troop withdrawals from Kampuchea have proved to be mere troop rotations.

In fact, it is certainly arguable that in the period since 1975 and the fall of Saigon the suffering of the people of Indo-China has increased, and is worse than it was during the Vietnam war.

The exodus of a million boat people from Vietnam itself is eloquent testimony to the barbarism of the regime there. The Economist reported last week that, even going by the highly dubious official figures, last year's output of food grains per head was less than the recorded level of consumption in North Vietnam in the period between 1965 and 1973.

Much of Indo-China's current problems are caused by Vietnamese militarism. Although one of the poorest countries on Earth, Vietnam has 1.2 million men under arms. This is the world's fourth-largest army. It has subjected its own people to terrifyingly severe repression. The notorious chain of so-called re-education camps within Vietnam has provided another chapter of infamy in this century's shameful tradition of torture and political repression.

Across the spectrum of Vietnamese society the regime has sought to impose a totalitarian control. Sydney's Catholic Archbishop, the Most Reverend Edward Clancy, recently addressed a rally called, among other things, to protest against the widespread religious persecution within Vietnam.

The intensification of fighting between Vietnamese troops and Kampuchean rebels near the Thai-Kampuchea border shows how intractable the conflict between Vietnam and her neighbors really is.

When Vietnam first invaded Kampuchea there was some sympathy for its actions, simply because they meant the termination of the

murderous Pol Pot regime. Since that time, however, Vietnam has shown that its motivation is much more closely related to military imperialism than to any revulsion against Pol Pot. For within Kampuchea, Vietnam administers a brutally totalitarian regime. It has allowed the Kampuchean people no effective say in their own political destiny. It has turned both Kampuchea and Laos into virtual satrapies.

Vietnam has not undertaken these huge military commitments lightly. Its level of commitment to its own ideological and military goals is high. It has proven itself impervious to all diplomatic efforts to persuade it to allow some meaningful self-determination in Kampuchea.

Despite all the efforts of the Australian Foreign Minister, Mr Hayden, and others, while Vietnam maintains its current attitudes, reconciliation between Vietnam and the other countries of South-East Asia remains as far away as ever.

CSO: 4200/1023

CENTER LEFT DILEMMA, VULNERABILITY ANALYZED

Melbourne THE AGE in English 6 Aug 84 p 13

[Commentary by Michelle Grattan: "Dilemma for Vulnerable Centre Left"]

[Text]

**F**ACTIONAL politics are often playground politics: "dares", and boasting, and kicking the sand into the other boys' faces. Of course, factional politics are also about the backroom stuff: deals and influence, hard to chart and often denied.

But the Centre Left is not a faction to hide its glow, which the Right snidely claims is of the "warm inner" kind. Indeed, when the Centre Left waves its candle, it wants people to recognise it. It figures that, in the rough ALP arena, this is the safest way to play the game. Members of a faction which keeps saying that, in an ideal world, it would prefer not to be a faction, can be awfully vulnerable — specially when they get back to the rank-and-file of party members which the upper reaches of the ALP laud and ignore, and have to explain their actions. (Like why they said they were anti-uranium and then voted pro-uranium at the national conference.)

It all seems easy when you're having wonderful debates with your factional mates in Canberra, but you can feel a bit naked in your local branch.

Hence the Centre Left's report, which became public last week, the setting out its performance at national conference, which deserves to go down as one of the classics in factional literature.

The Centre Left fancies itself as the intellectual faction — not that it has much competition — so appropriately, this report was drafted by an ex-academic with a PhD who happens to be the Minister for Health. But Dr Neal Blewett didn't worry too much about the academic preoccupation with qualification. There is one message in the Centre Left's assessment — it ran the whole darned conference. Economics, foreign policy, uranium, industry policy, education, even abortion and tobacco companies' sponsoring of sporting events: it was Centre Left all the way.

Not that the faction didn't have its trials, according to the Blewett report. For a start, it had to deal with the "sterile ideological posturing" of the Left and the "electoral opportunism" of the Right. And then, the Right was just far too accommodating: "The Right was determined never to be outvoted by a combination of the Centre Left, and therefore accepted most Centre Left proposals," and worse, "then pretended they were its own".

The conference is now well in the past: enough to say that the Centre Left was important but not quite as much so as the Blewett report suggests. But it is interesting to consider "where now?" for the faction.

The Blewett document has annoyed the other factions, the Right more than the Left, which is used

to being everyone's whipping boy. At the same time, there is a recognition of what the exercise was about. As the Right's Senator Graham Richardson, put it: "I guess when you are trying to establish a new faction and trying to shore up a shaky base in some places, you have got to claim that you have the hairiest chest."

In the past few weeks, the Centre Left leadership has been both seeking to protect its conference delegates from rank-and-file retribution, and continuing to build its base. A bevy of leaders, including three Federal Ministers and the Federal Parliamentary convenor, Senator Cook, and secretary, Senator Crowley, attended a meeting of about 60 people in Tasmania a week ago, largely to defend two conference delegates from a kick-back over their uranium vote and, as Senator Crowley puts it, to "extend the network". A few days before, Bill Hayden had been in the west, at a meeting of about 200 people which established the faction in principle in that State.

The faction's base is still confined to the outer States. It is probably most solid in South Australia, home of Mick Young and Chris Schacht, the SA State Secretary who has infuriated the Right by his aggressive salesmanship on behalf of the faction. The power distribution between Left and Centre Left in SA is line ball, with the Left marginally ahead.

WA State Secretary Michael Beahan, a Centre Left activist, claims about half the 200-member WA State Executive would be Centre Left supporters. But in WA there is still considerable feeling against factionalism. The Centre Left has set up a negotiating committee "to have discussions with other progressive and Left forces," and both Centre Left and Left are trying to promote their own "broad Left" grouping.

In Queensland, the Centre Left is called the Centre Majority and can, on occasion, be outvoted by the Socialist Left and the so-called "old guard", the group that ran the branch before Federal intervention several years ago.

In Tasmania, the Centre Left is not nearly as strong as the Left, and in Victoria, the "Independent" group is still discussing its long-

term relationship with the national Centre Left.

The Centre-Left has so far not been at all able to break into the stranglehold on the NSW branch held by the majority Right and minority Left.

At a Federal parliamentary level the group can claim about 25 of the 105-member Caucus, and between six and nine Ministers, most of them in Cabinet. Its "fully paid-up" Ministers are Hayden, Young, Dawkins, Ryan, Walsh, Blewett and, to all intents and purposes, Jones, the Victorian Independent. Another independent, John Button, is as good as a full member but stands slightly aloof. Michael Duffy, also from the Victorian Independents, has kept a further distance from formal association, deliberately not attending the faction's meetings.

The Left likes to portray itself as a "collective", the Centre Left is the anti-faction faction. It is coy about leadership. Its actual leader, Bill Hayden, will disingenuously insist that the "leader", to the extent there is one, is Cook.

In fact, the Centre Left can be seen as a vehicle for the ambition of past and future aspiring leaders. It has facilitated the re-emergence of Hayden as a powerful force in the party. After spending a year after his overthrow mostly concentrating on foreign affairs, this year Hayden has played a much more general part in party affairs by mobilising his supporters of former days into an organised, disciplined force.

Hayden's motivation is twofold. He is a restless spirit who was always unlikely to be satisfied for long to confine himself to one area. He loves the nitty-gritty of party battle. He is also driven by a desire to curb the influence of the NSW Right, a group which he regards as politically crude and which was instrumental in his demise as leader.

For the future, the Centre Left provides a power base for John Dawkins, the nuggety, ambitious Finance Minister who has set out in the past couple of years to try to catch Paul Keating in the race up the slippery pole. The angling between Keating and Dawkins has been conspicuous since the first

days of the Hawke Government. Dawkins made a flashy start then Keating asserted himself by his impressive grasp on the Treasury area and by establishing a very close relationship with Bob Hawke. The formation of the Centre Left has boosted Dawkins's potential power, though not his present influence.

Mick Young also saw the Centre Left as a possible stepping stone to the Deputy Leadership when Lionel Bowen goes. Now circumstances have forced him to hope rather than that it might form a protective shield.

This year, the Centre Left has shown that on economic policy it is as conservative as the Right, and not far behind it in conservatism on foreign affairs. The Centre Left may have the distinct policy position it claims: If so, its manifesto is being kept under wraps until after the election. Thus far, it has been reaching a similar policy position to the Right, with some frills and more debate and self-conscious intellectualising. Despite the winks and nods, it is not possible to judge how much this will change.

Where the Centre Left has been most important up to now is in numbers and power plays. Its "numbers" role at conference has been well canvassed. Just before that, it forced Bob Hawke to delay a decision being made on the Na-

tional Executive about the admission of the four Right-wing unions to the Victorian ALP.

Most recently, Centre Left Ministerial leaders met on the Young affair just before the inquiry was set up. Cook had supported Young publicly earlier, and even after the inquiry was established, Hayden declared: "I am confident of a successful outcome to the inquiry as a result of the statements Mr Young has made."

The Young affair could present the next challenge for the Centre Left. If the report from Mr Michael Black, QC, leaves any ambiguity in the situation at all, Mr Hawke and his senior colleagues will be in an extremely awkward position. To allow Mr Young to stay on in those circumstances would be politically costly and Mr Hawke has said it is not on. On the other hand, to force his resignation if the evidence is not strong enough to convince the party, and in particular the Centre Left, would also be difficult. As Senator Crowley noted yesterday: "The Centre Left is going to have to be really persuaded not to support Mick Young."

Anything but a totally decisive Black report would also put the Centre Left in a dilemma: should it support a mate, or sacrifice him for the greater good of the Government and risk division within the faction itself over the issue?

EDITORIAL ANALYZES LANGE'S 'THREAT' TO ANZUS

Sydney THE SYDNEY MORNING HERALD in English 9 Aug 84 p 8

[Editorial: "Lange's Threat to ANZUS"]

[Text]

ON Tuesday ANZUS was quietly wheeled into intensive care. Australia has stopped twisting New Zealand's arm to accept visits by US ships. Instead, Mr Hawke told reporters in Port Moresby, the situation was delicate and that it is "obviously to the advantage of all of us that nothing be done now which makes it more difficult for the processes within New Zealand to be worked out." The realisation that the condition of ANZUS was now serious came with Mr Lange's tough reaffirmation of his party's policy not to allow nuclear-powered or armed ships into New Zealand ports.

No one was expecting the New Zealand Prime Minister to overtly retreat from his party's policy. But there was still the hope that Mr Lange would leave the way open for a face-saving compromise. There are a number of models to choose from. Norway is a NATO member but has a policy of not allowing nuclear-armed ships in its ports. Norway has, however, avoided a confrontation with the US (which, of

course, refuses to specify which of its ships are carrying nuclear arms) simply by assuming that its NATO allies will respect its ban on nuclear weapons. Denmark, which is also a NATO member, has effectively banned nuclear-powered ships from its ports by setting extraordinarily high environmental standards.

Mr Lange could have followed the examples of Denmark and Norway but his statements in Port Moresby seem to leave no room for compromise. New Zealand, he told reporters, will ban nuclear-powered or armed ships and if Australia and the US find that inconsistent with ANZUS they should modify their interpretation of the treaty.

The trouble for ANZUS is not that New Zealand's ports play a significant role in US naval strategy. It is the effect Mr Lange's decision will have on Australian domestic politics. In 1982 Mr Hayden announced that an Australian Labor Government would ban nuclear-armed ships but beat a humili-

ating retreat after the US Government replied that it would not specify which of its ships were carrying nuclear weapons and that a ban on nuclear arms would prevent all US Navy ships from visiting Australia. Since then, Mr Hawke and Mr Hayden have argued that Australia's contribution to the US nuclear deterrent is essential to the ANZUS alliance. They have ruthlessly overridden attempts by the ALP Left to re-open the questions of the US bases and visits by nuclear-armed US warships.

If Mr Lange is able to implement his ban without reprisal, the chances of Mr Hawke keeping the present Australian-US military alliance intact will be seriously reduced.

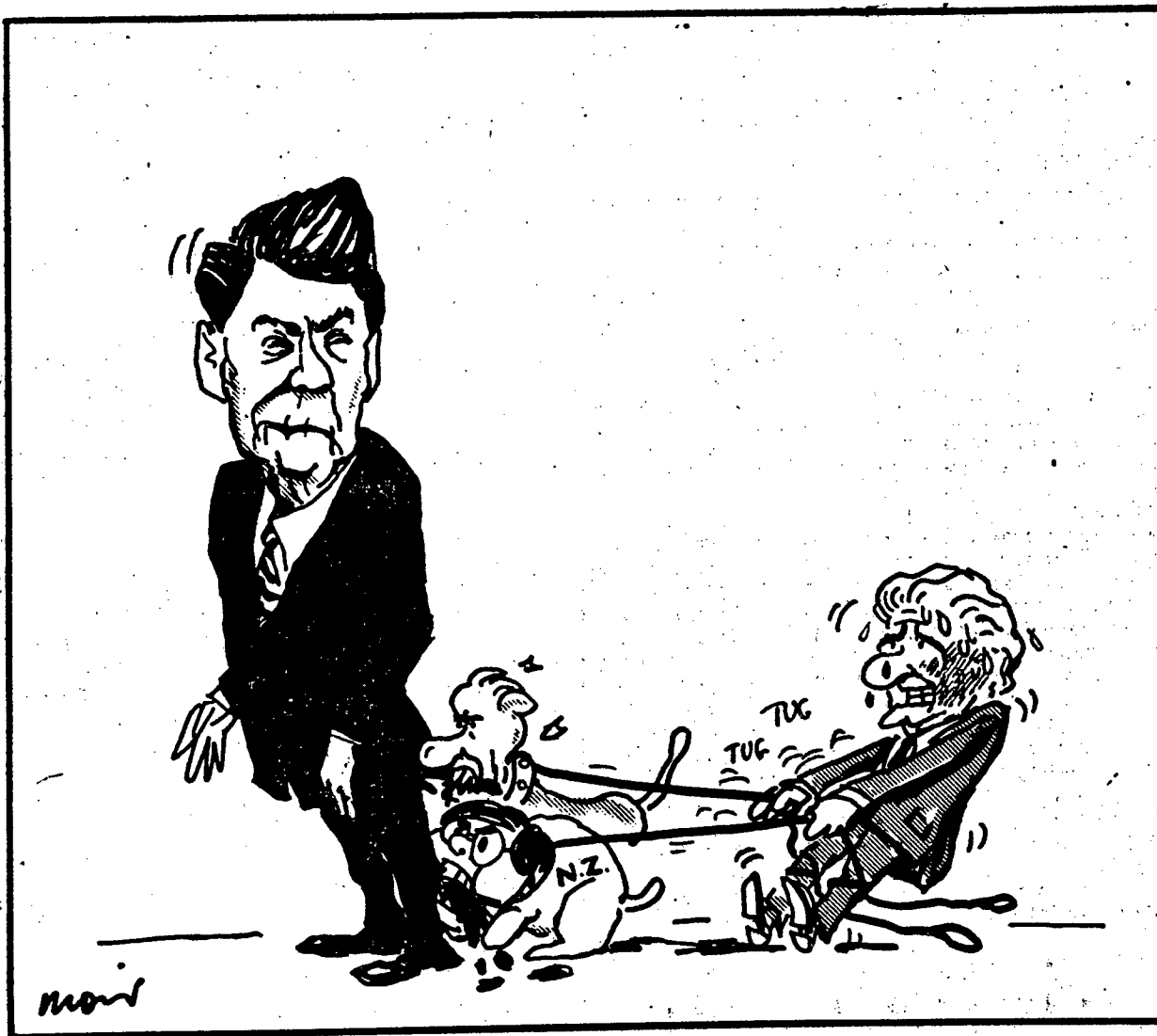
Which, of course, is one of the reasons why the US Secretary of State, Mr Shultz, was so uncompromising when he met Mr Lange in Wellington. He was not worried about New Zealand's ports, he was worried about the ALP. And so, of course, was Mr Hayden who wanted Mr Shultz to be tough and yet desperately needed to avoid a confrontation in which Mr Lange would publicly defy the US and become a hero of the Australian Left. There is, of course, still the possibility that Mr Lange will retreat from his Port Moresby statements and seek a reasonable compromise. If he does not Messrs Hawke and Hayden will have a major problem and ANZUS will be seriously weakened.

CSO: 4200/1023

AUSTRALIA

CARTOON PARODIES HAWKE EFFORTS TO TETHER HAYDEN, LANGE

Sydney THE SYDNEY MORNING HERALD in English 9 Aug 84 p 8



CSO: 4200/1023



HAYDEN DILEMMA ON U.S. BASES ANALYZED

Brisbane THE COURIER MAIL in English 10 Aug 84 p 6

[News Analysis by Don Petersen: "Hayden Dilemma Over U.S. Bases"]

[Text]

**F**OREIGN Minister Bill Hayden's chiding of American — but not Soviet — attitudes to nuclear disarmament in Geneva this week may have bought him factional applause from the socialist Left.

Unless the US demonstrated willingness to negotiate on arms control, he said, Australia might reassess some of its policies and associations.

These were taken to be concerned with US bases like Pine Gap and Nurrungar.

But most Australians have a right to be confused by Mr Hayden's remarks and the Americans perplexed, if not a touch annoyed.

This is because Mr Hayden appears to contradict himself. Throughout the nation this week he is circulating a foreign policy document describing the bases as contributing "fundamentally to nuclear deterrence, the only option open for some time".

The document goes on to say that "if there is one thing of which we can be sure in international affairs it is that neither the Soviet Union nor the United States nor the other nuclear powers will unilaterally disarm".

So, while deterrence remained the only alternative, Australia would contribute facilities (the bases) which provided the US with early and reliable warning of ballistic missile attack.

Such warnings would lessen the likelihood of "accident or miscalculation by either side" thereby diminishing the possibility of nuclear holocaust from which no nation on earth would escape.

And, by refusing to co-operate with the Americans, Mr Hayden argues locally, "we would be adding to instability and worsening the prospects for avoidance of nuclear war".

So the bases are here to stay, the policies and associations will remain in place, regardless of any footdragging by the Americans in negotiations for nuclear arms control.

In the Government's view, they also are a vital contribution to the monitoring of such things as nuclear explosions, incidents which have a huge bearing on the verification of international arms control agreements.

The Foreign Affairs "pamphlet" probably does no more than argue the merits of government policy on the joint bases, uranium, disarmament and peace which were hammered out against fierce opposition at the recent ALP national conference.

And, to be fair to Mr Hayden, it reports that the Government has urged both superpowers to reject the idea of nuclear war and curb their deployment of new weapons, particularly in space and the development of new, military technologies.

It seeks rational, rather emotive debate on the question: "Does the export of uranium and the presence in Australia of the joint facilities contribute to or jeopardise arms control, disarmament and peace?"

And it puts Mr Hayden's view that the answer has to be no.

He charges that the Nuclear Non-Proliferation Treaty, to which more than 120 nations including Australia are party, is under serious threat largely because "the nuclear weapons states have failed to live up to their obligations".

This is because members of the non-nuclear club accepted that status on the understanding that the superpowers promised "significant progress" towards arms control and disarmament.

This had not happened. At the same time, developing countries have been denied access to the means of developing their civil nuclear fuel cycle. And, as a signatory to the treaty, Australia was obliged to help those states, specifically in the supply of uranium.

Mr Hayden argues: "We cannot deny developing countries the sovereign right to make their own decisions on what sort of energy needs they have and what sort of energy developments they want to pursue. We simply cannot."

To do so would fuel a movement by third world nations to do away with current strict regulations on nuclear safeguards and to throw open the prospect of nuclear proliferation.

The pamphlet says: "In other words, we will have achieved exactly the reverse of what we set out to achieve."

Australia, by no means the only supplier of uranium, would lose its voice for restraint in arms control and disarmament forums. "We will have forfeited our chance to influence the cause of stability and peace. Symbolism will have triumphed over reality."

This week's pamphlet is a cogent expression of Government policy. Only total nuclear disarmament is acceptable, it says. But the government recognises that on the road to that goal "it must support the most stable available options which give the best prospects of contributing to the avoidance of nuclear war."

An Australian "refusal to sell uranium or a decision to abolish the joint facilities" would be neutral in their effect.

"Rather, such decisions would paradoxically have the effect in real terms of harming the very cause that all of us are trying to promote," it says.

A great many Australians will not agree with such views. And they will be less than enchanted that they now constitute firm Government policy.

In thumping the Yanks publicly, perhaps Mr Hayden sought to dampen their ire.

But his words do not change much. Until sanity overtakes the Russians and the Americans Australia will continue both as a listening post for potential disaster and as a supplier for peaceful purposes of nuclear energy.

The Government, whose policies Mr Hayden helped formulate and defend, is adamant that there is no alternative.

PEACOCK WARNS AGAINST HAYDEN DISPLACING HAWKE FOREIGN POLICY

Canberra THE AUSTRALIAN in English 10 Aug 84 p 2

[Article by Bill West and Paul Ellercamp]

[Text]

AUSTRALIAN foreign policy is being realigned in an "exceedingly dangerous" manner and the Prime Minister, Mr Hawke, is powerless to prevent it, the Leader of the Opposition, Mr Peacock, claimed yesterday.

Mr Peacock said statements by the Minister for Foreign Affairs, Mr Hayden, casting doubt on the future of American bases in Australia, when combined with other events, represented the most significant shift in foreign policy in decades.

At a press conference in Sydney, Mr Peacock rejected Mr Hawke's defence of Mr Hayden, that he had been speaking hypothetically. He said the Foreign Minister's statements still stood.

Mr Hayden warned in Geneva that unless the United States showed a genuine commitment to the limitation of nuclear arms, Australia's commitment to US bases in Australia might have to be reviewed.

Mr Peacock said: "Just as Mr Hayden controlled the outcome of resolution after resolution at the ALP conference,

and was credited by most commentators as being the effective de facto leader there, he is now controlling the realignment of Australian foreign policy in a most dangerous way.

"I use that term deliberately because Mr Hayden's remarks reported yesterday, about threatening the closure of joint facilities in Australia, are not isolated remarks."

In speaking out, Mr Peacock moved to re-establish his leadership on the issue. The Liberal's deputy leader, Mr Howard, has been making the running to date.

Mr Peacock had refused to enter the row while he was visiting Papua New Guinea.

### Dangerous

On Wednesday, Mr Hawke hosed down the Foreign Minister's warning, saying that the "question (of a review) does not arise."

Mr Peacock said Mr Hayden had threatened the closure of the US base at North West Cape two weeks ago.

He said Mr Hayden had now moved to a position of threatening the closure of all US-Australia joint facilities.

"The dangerous element in

that — and it is dangerous enough in itself — is that this follows the decision of the ALP conference to stop home basing by US vessels in Western Australia and to work for a nuclear-free zone in the Indian Ocean," Mr Peacock said.

"So you now have the US presence in the Indian Ocean jeopardised by Labor Party decisions. On the Pacific side . . . you have Mr Hawke unable to prevent the advocacy of views at the Commonwealth Heads of Government Regional Meeting of a nuclear-free zone.

"Behind it is the threat by New Zealand to prevent nuclear-powered vessels and nuclear-armed vessels from entering their ports, thus calling into question ANZUS itself.

"What this means in effect is that Mr Hayden is now realigning Australian foreign policy in an exceedingly dangerous manner, Mr Hawke being unable to prevent that realignment and, in effect, being virtually irrelevant."

Mr Peacock said Australia's relationship with the US was fundamental to national security.

# HAWKE'S FOREIGN POLICY SEEN AS 'TIGHTROPE WALKING'

Melbourne THE AGE in English 10 Aug 84 p 14

["News Analysis" by Michelle Grattan: "Hawke's Foreign Policy To Keep Him on the Tightrope"]

[Text]

CANBERRA. — Bob Hawke must wish his Government's view about the uselessness of the Fraser-inspired Commonwealth regional meetings had been heeded last year and the Port Moresby CHOGRM had never happened.

Mr Hawke's brief trip to Papua New Guinea, which ended yesterday, was anything but a roaring success.

The Prime Minister was out of step ... with New Zealand Prime Minister Lange, with Commonwealth Secretary-General, Sir Shridath Ramphal, with PNG Prime Minister Somare and, from a distance, with his own Foreign Minister.

Mr Hawke was preaching ANZUS to Mr Lange, suggesting — in effect — that he should give in decently to the Americans or there would be all sorts of trouble.

But Sir Shridath and Mr Somare were admiring the New Zealand stand of principle and suggesting the question: Why should Mr Lange give in? ANZUS did, after all, survive an earlier ban by New Zealand without collapsing.

Then, just as Mr Hawke was preaching power politics to Mr Lange, there was Mr Hayden, threatening (though cautiously) the American bases in the cause of principle.

Mr Hawke did some very fast talking, first to Mr Hayden in Geneva, and then to the reporters travelling with him. He insisted that Mr Hayden was really

only saying what the Government has been arguing all along: that it believes in disarmament and will use its influence with the Americans to promote it.

He suggested that Mr Hayden was talking about a "hypothetical" situation and answering "hypothetical" questions, and that of course there was no threat to the bases. Indeed the Americans had already responded to Australian influence.

It was not a very convincing tale. For one thing, Mr Hayden was making no secret of his frustration with the slow progress on disarmament. For another, Mr Hawke could not disguise the ob-

vious fact that he was stepping the Government back from the Hayden statements.

In politics, timing is all-important and for the Government, this week was one of those unlucky coincidences of events. If Mr Hawke's leaning on Mr Lange and Mr Hayden's heavy- ing of the Americans had been a few weeks apart, the Government's wobbles on the tightrope it is walking in foreign policy would not have been so obvious.

On one hand, the Government backs ANZUS so totally that it feels it necessary to try to influence Mr Lange's attempt at independence within the alliance.

On the other, it is staking a special claim to international leadership on disarmament.

Mr Hayden tries to link these two different and potentially divergent strands via the threads of the role of US bases in deter-

ence and arms control, Australia's influence on the Americans through the alliance and the bases, and its voice on non-proliferation issues through its controlled supply of uranium.

It is a sophisticated argument, but also one that can be strongly contested, especially when the Government tries to be high-minded about its stand, and the critics use simple (maybe simplistic) but appealing lines, such as the benefits of setting an example.

Australian foreign policy under Labor is governed by two sets of imperatives: traditional security interests, which the Government believes fulfilled by the alliance, and its desire to play a wider global role in the cause of peace and disarmament. "Disarmament" for the Hawke Government is what the Third World and "north-south" issues were for the Fraser Government.

These imperatives are not incompatible, but they can collide, as they did this week. The Fraser Government used to run into similar trouble, when its high-minded sentiments about lower protection were at odds with some of its own practices.

The Hawke Government's problems are worsened by the fact that much of the ALP rank-

and-file doubts some of the links the Government is making between the bases and the promotion of disarmament.

The Government has to talk simultaneously to the Americans and to its own party, and sometimes it has speak differently for each.

Before and at the ALP national conference and in New Zealand, Mr Hayden adopted a certain tone publicly; since then, in a speech in Brisbane and now in Geneva, his voice took on a harder public edge with the Americans and became more appealing to sections of the ALP.

Mr Hawke was forced to chime in after the Geneva speech with another tone, surely more soothing to the Americans.

These tensions will continue in the Government's foreign policy. If Mr Lange does not back down and if the anti-nuclear movement grows in this country they will be exacerbated.

In the meantime, Mr Hawke must balance on the tightrope again this month at the South Pacific Forum, where the proposal for a nuclear-free Pacific — on which the Hawke Government has taken a lead with the proviso it must include transit rights for American ships — will be a big issue.

EDITORIAL HITS DECISION TO HALVE CYPRUS CONTINGENT

Sydney THE SYDNEY MORNING HERALD in English 10 Aug 84 p 8

[Editiroal: "Australia and Divided Cyprus"]

[Text]

THE DECISION to halve the size of the Australian police contingent in the UN peace-keeping force on Cyprus seems ill-timed. Our contribution is admittedly tiny, but it is a token of our support for international attempts to induce a dialogue between the Greek and Turkish Cypriots. To diminish this token at a time when we are preparing to take a seat in the UN Security Council, which authorises and regularly renews the mandate for UN peace-keeping forces, seems perverse, to say the least.

More substantively, the conflict itself is worsening, not improving, and international pressure needs to be maintained, especially on the Turkish-Cypriot leader Mr Rauf Denktash. After his unilateral declaration of independence last November, he is now holding a referendum on a new constitution (August 19) and general elections in November. In a further inflammatory move, he has threatened to open part of Varosha, a deserted Greek-Cypriot suburb of Famagusta, to Turkish-Cypriot settlement.

The struggles of the past 10 years have apparently undermined the wish of the Greek-Cypriot majority for *enosis*, or union with Greece. The northern sector, guarded by over 20,000 Turkish troops, has a population of over 120,000, while the Greek-Cypriot sector has a population of 530,000, including 200,000 refugees from the north. Although the northern sector used to be the more productive, the southern sector is now booming. The Greek-Cypriots have largely stopped tourist access to the north. They have also benefited from the relocation of businesses from Beirut, and from new housing for refugees.

Led by Mr Spiros Kyprianou, the Greek-Cypriots have mobilised international opinion behind their "solution": a single, federal State, non-aligned, independent and demilitarised. A thick sheaf of resolutions along these lines have been passed by the UN, the non-aligned movement, and the European Community. The UN Secretary-General, Mr Peres de Cuellar, is currently negotiating with both sides, but

the Turkish-Cypriot entity, virtually unrecognised except by Turkey, remains obdurate.

Mr Denktash's preferred solution is a federation of two autonomous States, with a weak central authority and strict controls on human and economic contacts. His latest moves have led to speculation that Mr Kyprianou may try to invite Greece to send forces to Cyprus, which would bring Greek and Turkish forces face to face. A potential war between two NATO partners — which has naturally been the fear of the US and its European allies from the start — would seriously expose the eastern Mediterranean flank of the Western alliance.

While the Turkish-Cypriots now enjoy a physical security they lacked in the strife-torn 1960s, their virtual isolation for a decade has spawned a new economic insecurity. Talks are obviously needed to defuse the clear dangers in the situation. The Commonwealth action group has left the running to the UN Secretary-General, but the policy of the US, which needs good relations with both sides, has been confused. Under the circumstances, Australia should be doing the little that lies in its power to assist the UN Secretary-General to succeed where many, including himself, have failed in the past.

CSO: 4200/1023

FEDERAL REPORT CRITICIZES ANTARCTIC SUPPORT

Melbourne THE AGE in English 10 Aug 84 p 15

[Article by Ian Davis]

[Text] Canberra--Australia might lose its influence over developments in Antarctica unless it increases activity there, a Federal Government report has warned.

The report of the Antarctic research policy advisory committee, released yesterday, criticises inadequate Government financing and support for research in Antarctica and warns that Australia may be excluded from management of the continent's mineral resources.

Australia has claims (which are not recognised by many other countries) to more than 40 percent of the Antarctic land area.

The committee, chaired by Professor David Caro, vice chancellor of Melbourne University, says the Government has provided insufficient staffing and funding for Australia's Antarctic interests.

The committee warns that "if the staff and other resources necessary to rectify these problems are not forthcoming, Australia runs the very real risk of failing to meet its objectives in Antarctica, with the result that Australia will be unable to participate effectively in resource management regimes."

The committee says that "urgent action is required if Australia is to continue to have an effective voice in the future management of Antarctic resources. "

It warns that further funds and support for research and improved transport must be provided if Australia is to have an influence in international negotiations on mineral and marine living resources.

The committee believes that the present program is insufficient to assess the resources of the Australian Antarctic Territory, making Australia unable to effectively contribute to understanding the possible environment effects of resources exploitation.

Protection of Australia's interests will be critical in the next five years, according to the committee because the review of the Antarctic Treaty in 1991 will raise international interest in resources.



OPPOSITION RELEASES PLATFORM POLICY ON TRADE

Canberra THE AUSTRALIAN in English 10 Aug 84 p 3

[Text]

A FUTURE Liberal-National Party coalition government would work towards establishing a trading bloc in the Pacific similar to the EEC unless foreign nations dropped their barriers to Australian exports.

The Federal Opposition has also promised that trade experts would be brought in from private enterprise to lift Australia's trading performance.

Inquiries would be set up to look into trade barriers in overseas nations and existing government-run domestic trade assistance schemes.

Releasing its pre-election platform policy on trade yesterday, the Federal Opposition declared its determination to see international trade liberalised and barriers to Australian products swept away.

The policy, released by the Opposition spokesman on trade, Mr Ralph Hunt, said that "free-flowing international trade is being seriously restricted by a number of factors, including the growing protective actions of many countries, hidden export subsidies and dumping".

While pressing for reduced barriers for Australian exports, the policy also called for "fearless use of such measures as are necessary to protect Australian industries from the damaging effects of dumping and other unfair destabilising trading actions by other countries".

While pointing out that 11.4 per cent of jobs in Australia involved exports, the policy document said that only 18 per cent of Australian exports were in manufactured form, compared to 55 per cent in the rest of the world.

A future coalition government would work for greater processing of primary products prior to export.

The Opposition is scheduled to release its industry and commerce policy document within a few weeks. It will complement the trade document by outlining how the coalition would attack the problems of protection inside Australia and the growing pressure for industry restructuring.

But the trade policy signalled the possible eventual need for a Pacific-based trading bloc.

"Unless some early progress is made in freeing up world

trade, consideration will be given to consulting with Asian and Pacific countries on the possible formation of an Asian-Pacific Basin trading bloc," the policy document said.

"Consideration will be given to an Australian commitment to liberalise gradually imports of specified products in exchange for increased or increasing access for Australian products such as processed foodstuffs, livestock or metals."

The policy also commits the Opposition to:

**ESTABLISHING** a regional economic research facility similar to the OECD to service the Pacific Basin trading bloc.

**RECRUITING** experts from private commerce to work in the Trade Commissioner's service.

**ESTABLISHING** a group of ministers and heads of departments to develop strategies for penetrating overseas markets.

**AN** inquiry into existing trade assistance schemes such as the export market development grants scheme.

**INVESTIGATION** of levels of assistance offered by other countries which advantage their export industries.

# UNEMPLOYMENT DROPS TO 1982 LOW

Canberra THE AUSTRALIAN in English 10 Aug 84 p 1

[Article by Des Keegan]

[Text]

THERE was more good news for Australia yesterday — unemployment in the July figures dropped from 9.3 per cent to 8.8 per cent of the workforce, the lowest figure since November 1982.

The Bureau of Statistics said employment had risen by 231,000 since July 1983 and the number of people unemployed had fallen by 91,900.

That means the unemployment rate has fallen by 1.4 percentage points over the past year.

This included 155,200 full-time and 75,900 part-time workers joining the workforce.

All of these figures are seasonally adjusted which means the bumps associated with school leavers and higher mid-year economic activity are ironed out.

## Participation

Figures showed 628,000 people were seeking work — more than 100,000 fewer than during the unemployment peak in September last year.

On the employment side, 253,600 more people were in work than when the Hawke Government came to office in March last year. This means the Government is meeting its election promise of 500,000 extra jobs in its first three years of office.

However, Commonwealth

Employment Service figures indicate that the long-term unemployed still comprise one of the biggest groups of jobless.

At the end of June, 28 per cent of all people registered as unemployed with the CES had not had a job for at least nine months.

Not much can be drawn from a single month's statistics but there appears to be a change in the number of people trying to get jobs.

The participation rate eased from 61 per cent to 60.7 per cent.

Almost all of the change in jobs was due to higher employment and lower unemployment in Victoria and NSW. Both States have expanded their public sectors significantly.

The Minister was clearly pleased with the result. It took the spotlight off his temporary chore of moderating the struggle between Canberra doctors and unions.

Mr Willis said that, while employment showed only a small increase in July, this was the sixth successive month during which employment had risen on a seasonally adjusted basis.

He said: "The underlying strength of employment growth is shown by the extra 58,500 jobs generated in the three months to July compared to the previous three months.

"Taking a longer-term perspective, employment is growing at an exceptionally strong annual rate of 3.7 per cent.

"The unemployment rate dropped below 9 per cent for the second time in recent months.

"Such developments are a further convincing demonstration of appropriateness of the Government's economic policies."

Mr Willis said the present unemployment level, although gradually being reduced, was still unacceptably high.

Mr Willis also doubted that jobs would be seriously cut by the Arbitration Commission's award of extensive severance benefits to workers.

The Deputy Leader of the Opposition, Mr Howard, said the fall in the number of jobless was almost entirely due to people giving up the search for a job and leaving the workforce.

The real change in the level of jobs in July was far below the level needed to make any lasting impact on unemployment, he said.

Mr Bryan Noakes, director-general of the Confederation of Australian Industry's Industrial Council, said there were few reasons for optimism in the figures. The improvement in employment was negligible, increasing by only 2100 persons in seasonally adjusted terms.

LABOR PARTY LEFT HITS CENTER LEFT FACTION

Melbourne THE AGE in English 10 Aug 84 p 16

[Article by Michelle Grattan: "Center Left is Right, Says Left; Now It's Right's Turn To Write"]

[Text] Canberra--Recently we were treated to the ALP Centre Left's view of the Left--"stridently purist" and all that.

The latest contribution to the party's factional literature is the Left's assessment of the Centre Left, which measures up well in the vitriol. The Left hurtfully dismisses the Centre Left as "a smiling face of the Right."

The Left round-up of the national conference, produced by a group of South Australians, concludes: "The Centre want to make a conservative Labor Government look good."

The paper, titled 'Left, Right and Centre,' admits that the Left "clearly needs to reassess its approach in the light of a Centre that has made its Right-wing position clear."

But it reminds those critics who say the Left must come to terms with the "real world" that "if the rarified existence in Ministerial offices at Parliament House is the real world, one wonders where the rest of us are living."

It says: "The real world we live in apparently has no poverty or unemployment, no allies threatening nuclear war, no problems with the spy industry and probably no need for democratic socialism."

The paper says the Centre Left's performance at the conference "confirms that the Centre is well and truly married to the Right."

"The Right was being so provocative that the Centre could easily provide a Right-wing policy under the guise of moderation.

"In the final outcome, the Centre's policies amounted to little more than a smiling face of the Right.

"In fact, rank-and-file members of the party were shown to have as much say in the policy as BHP shareholders have in the running of that company."

Since the conference the Centre Left has, according to the paper, attempted to justify its delegates' "sell-out of the rank and file to appease their shrinking support in the branches and grass roots."

These "efforts" included the "apologia" by the Health Minister, Dr Blewett, in which he condemned the ideological posturing of the Left, and "background briefings of the media designed to denigrate the Left."

As for those few "compromises" with the Left at the conference that the Centre Left claimed, just to show that it was not dogmatically in favor of the Right, "it should...be noted that the issues of agreement between the Left and Centre were all Left initiated. The Centre faction had no innovative ideas, a sad situation for the self-appointed intelligentsia of the party."

So there you have it. It's now over to Senator Graham Richardson and his boys of the Right. The whole party is waiting.

CSO: 4200/1023

WESTERN AUSTRALIA MINE FOCUS OF STUDY WITH PRC

Melbourne THE AGE in English 11 Aug 84 p 21

[Article by David Uren]

[Text]

Hamersley Holdings has stolen a march on other iron ore producers in announcing a joint feasibility study with the China Metallurgical Import and Export Corporation for a new iron ore mine in Western Australia.

The mine would eventually produce 10 million tonnes a year, about a quarter of Hamersley's present output, tied to the Chinese market. It would be based on CRA's Mt Channar deposit, which is about 20 kilometres east from Hamersley's Paraburdoo mine.

Hamersley said the feasibility study was associated with the initiatives taken earlier this year by the Prime Minister, Mr Hawke, China's Premier Zhao and the West Australian Government.

Ian Davis reports from Canberra that Mr Hawke, who was flying to Perth to announce the establishment of new Government-industry consultative measures for the steel industry, said that since proposing closer co-operation between Chinese and Australian iron and steel industries while in Peking last February, there had already been substantial progress.

The China-CRA agreement, he said, represented a major step in the development of that co-operation. He said China had shown "considerable interest in new

steel making technology that is available to the CRA group through its part ownership of the German steel producer, Kloeckner".

Although the acting WA Premier, Mr Bryce, said yesterday that the study was "the best news for the industry in more than a decade", a new mine would seem to fly in the face of economic logic at a time when WA has approximately 30 million tonnes of idle capacity while the Brazilians are about to hit the market with 35 million tonnes of iron ore a year from their new Carajas mine.

Indeed, it was only seven months ago that Hamersley's managing director, Mr Ian Burston, condemned proposals for a new mine to supply the Chinese as possibly the worst thing that could happen to the Pilbarra.

However, the Chinese have wanted a direct equity stake in the overseas iron ore supplier which they need for their new Baoshan steel complex near Shanghai and have, for reasons that escape all the iron ore producers, insisted on having their requirements met by a separate mine.

Hamersley, Mount Goldsworthy, Cliffs-Robe River, Mt Newman and the die-hard Mr Lang Hancock submitted proposals to the Chinese following their interest early this year.

It is possible that another producer may also be asked to pre-

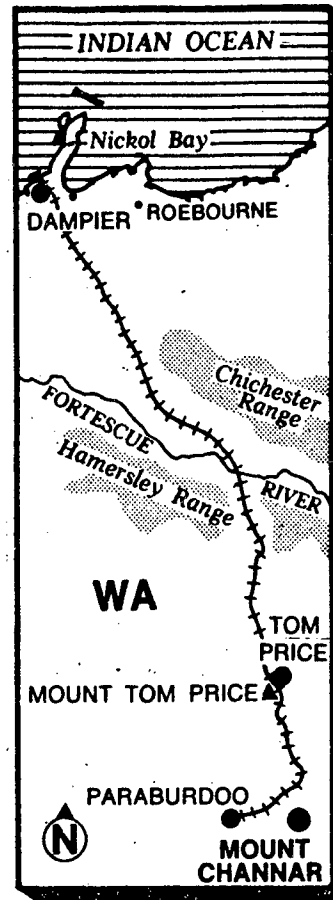
pare a feasibility study. The executive director of Mount Newman, Mr George Stuart, said yesterday that his company had as yet received no indication that its proposal had been excluded.

"It's important to realise that the Chinese deal in millenia, not in days or weeks or years. Their ideas tend to evolve and I don't think any of us know just where we stand," Mr Stuart said.

Mount Newman will be conducting the Chinese delegation, lead by the Vice-Minister for Metallurgy, Mr Lin Hua, over the site of its proposed new mine, adjacent to the Mount Newman mine, this weekend.

A spokesman for Mount Goldsworthy, which has tendered for its Area C, also said that his company still considered itself a contender for supplying the Chinese and had received no information to the contrary.

Hamersley, however, may have had some advantages over the other contenders. Its parent company, CRA, has established a permanent office in Peking and has been far more willing than BHP to consider the construction of new steel capacity to meet Chinese demand.



CSO: 4200/1023

# NEW INDUSTRIAL, BUSINESS POLICY SEEN 'INTERVENTIONIST'

Kuala Lumpur BUSINESS TIMES in English 11 Aug 84 p 11

[Article by Colin Chapman in Sydney]

[Text]

FOR business, there was a painful sting in the tail of the recent Australian Labor Party's policy-making conference.

While black-clad women on stilts stalked through the foyer of Canberra's Lakeside Hotel leading a chorus of anti-nuclear songs, while demonstrators waved candles and burnt their Labor Party cards, and while hardened leftists jeered at Foreign Minister Bill Hayden "once a cop always a cop," the Prime Minister, Mr Bob Hawke, delivered an unusually prescient speech.

"The task of social reform has been made an integral part of the task of economic recovery," he said. "By integrating the processes of recovery, reform, and a reconstruction, by making a simultaneous attack on all fronts, we are entrenching our reform as an integral part of the system."

And he added: "I don't think that it is yet fully realised how unique and radical a transformation this new concept represents."

## Offset

No one paid much attention at the time. After all, Mr Hawke had spoken for almost an hour, and both news media and delegates were getting restless, distracted by the hullabaloo outside.

But as the conference, which is binding on government policy, entered its last hours after many had assumed all the major decisions had been taken, the delegates voted overwhelmingly in favour of a new industrial and business policy which is highly interventionist, and in some places, positively Ben-  
litte.

Planning agreements, industrial democracy, and tougher controls on transnationals, particularly those using franchising to restrict trade, all joined centralised wage bargaining, the prices and income accord, and the Economic Planning Advisory Council as instruments for change.

None of this, it must be said, was forced on the conference by the left, which failed to win on any single important issue, but became party policy at the behest of the Hawke Cabinet.

The federal government is now also mandated to provide incentives for industrial research, to develop mechanisms which encourage a higher level of technology transfer, including greater use of offset arrangements for government procurement, and to promote the further processing of minerals and agricultural products within Australia.

Future government purchases abroad will require offset work "of a type that will result in the improvement of Australian industrial technology."

This means that some present offset deals — such as McDonnell Douglas' promotion of Australia as a tourist destination for Americans as an offset for the FA-18 strategic fighter deal will be proscribed.

One key element of industrial strategy is listed as a comprehensive plan for the development and restructuring of Australian industry, with special attention to the development of "state-of-the-art" science, technology and engineering sectors to increase the rate of product and process development throughout the rest of the economy.

"Such special plans are to be based on measures to stimulate a genuine commitment to industry modernisation and revitalisation by the active encouragement of industry development agreements, business and unions," says the new Labor Party policy.

In a section on planning mechanisms, the new policy says the pro-

posed industry development agreements will include such matters as investment pricing policies, government aid, purchasing policies and practices by governments and firms.

## Pragmatist

Labour requirements, training and retraining programmes, agreed industrial relations procedures and guidelines on disputes and demarcation, maintenance of a stable and predictable incomes regime and rapid introduction of new technology with minimum disruption are also included.

The section on foreign ownership stipulates promotion of Australian equity, both government and private, in industrial enterprises, and the regulation of the transnationals operating in Australia.

Greater Australian participation in the ownership of industry and commerce is to be encouraged through government instruments such as the Australian Industries Development Association and private insurance and superannuation funds.

All this was passed by a conference which rejected the left's move to stop uranium mining, and which upheld US military bases, the admission of foreign banks, further financial deregulation, and accepted the need for an end to demarcation disputes at the workplace and other archaic industrial practices.

Those were the issues that grabbed the headlines and confirmed Mr Hawke's reputation as a pragmatist who sees his constituency as the 75 per cent of the voters who support him in opinion polls.

But the industrial policies to which the government is now committed also reveal his predilection for Scandinavian-style socialism. And after the 36th biennial conference, that is where the Australian Labor Party stands.

It has firmly shaken off the old-style socialism of the British Labor Party and set itself a course which few Australians doubt will keep it in office for at least the rest of this decade. — FT



# ANTINUCLEAR PARTY PREPARES TO FIGHT 'POLITICS OF PRAGMATISM'

Melbourne THE AGE in English 11 Aug 84 p 17

[Article by Karen Cooke]

[Text] "We're new chums but we're unpretentious.

We're damned determined and they'd better not underestimate us."

Sydney--With that warning to the Federal Government, the new Nuclear Disarmament Party is preparing to do battle against the politics of "pragmatism" and its trappings of uranium mining, US bases and visits by nuclear-armed forces.

NDP is armed with determination, the politics of hope and a swag of supporters from the world of literature and the arts. It will contest the next Federal election in the Senate and some House of Representatives seats.

The warning is from the publicist of the party, Ms Janet Kenny, who is working in Sydney trying to pinpoint how many hundreds of new members have joined.

"They're coming from all directions. We're going to have to set up sub-branches all over the place," she says. Many members are disillusioned with the ALP decision of reaffirming a commitment to uranium mining and export — a position also held by the Liberal Party.

The alternative is a single-issue party born from the fear of destruction. NDP opposes foreign bases, uranium mining and export even for existing contracts and visits by nuclear-armed forces.

Recently the fledgling party was given a boost into the public eye by prominent members — the author Patrick White and the poet Judith Wright.

During a speech at La Trobe University last week, Mr White backed the formation of NDP, a departure from his previous sup-

port for the ALP. He said: "We can no longer depend on our leaders anywhere on this threatened planet."

Because the NDP has so little money (the joining fee is 50 cents for students and \$1 for others) its best weapon is publicity. This is where "celebrity" supporters such as Mr White, prominent academics and actors can make the most impact.

Among those who have pledged support are the historian Professor Russell Ward, and Rowena Wallace, who stars in the television soapie 'Sons and Daughters'. The organisers of NDP hope such people can get the anti-nuclear message across simply, without technical jargon.

Ms Kenny says: "It's not so much how the missiles are made, but what they do."

One of the major problems of any anti-nuclear group is convincing people to listen to warnings about doom and destruction. After all, Hiroshima is hardly polite dinner conversation.

But the founder and national chairman of the party, Dr Michael Denborough, a medical researcher at the Australian National University, was determined not to remain quiet about nuclear dangers after what he saw as a betrayal by the ALP on its uranium policy.

Dr Denborough, who is a practising physician at Canberra Hospital, says the party began at a Canberra public meeting in June attended by 60 people who approved the anti-nuclear charter. Soon after that the party was registered, with the requisite 500 members.

"We were completely disillusioned with the Hawke Labor Government's policies on nuclear issues. And after the tremendous (peace) rallies on Palm Sunday when 300,000 Australians expressed their loathing for what was happening, we were terribly frustrated. There seemed no entrance into the Parliament," he says.

"We're frightened that unless we can achieve this all over the world inevitably we will be destroyed." Dr Denborough says recent technical evidence shows that if just one fiftieth of the world's nuclear stockpile was employed no one would survive.

He said the few who were not killed outright would die slowly in a world without crops, light or warmth. Debris and soot from the explosions would block out the sun.

Ms Kenny says: "We realise that most people think that single-issue parties are an absurdity but our

reason for existing is the sonambulant reaction of our leaders to the presence of an international crisis."

NDP will contest House of Representative seats held by politicians who oppose their views. "We will bring our strength against those we regard as the worst opponents. We wish to draw attention to their grossness," Ms Kenny says.

Does it worry the disarmament people that they may attract votes away from the ALP and thus give an advantage to the Liberal Party, which has an even harder line on nuclear issues?

Ms Kenny is adamant: "In normal circumstances it would do, but it doesn't worry me in the least because there is no difference in their essential policy on this most vital of issues. The Liberals may not go around mouthing platitudes like the Labor Party does but the result is the same.

"We can't see that there's any significant difference, except window dressing, between the two of them.

"A lot of people thought Bill Hayden would be the defender of those of us who want to get away from the nuclear mentality, the confrontation mentality. He's stood on board an American ship carrying nuclear missiles and declared that he supports the ANZUS Treaty.

"New Zealand has set a heroic example with its refusal to let nuclear-powered ships into its ports ... The British Labour Party has declared itself anti-nuclear ... the Dutch have postponed the installing of the missiles. Small gleams of hope can be grasped," she says.

"Australia can have the dignity to have an identity of its own and act for its own population instead of making a doormat of itself for other powers."

# LABOR TO WIN 14 MORE SEATS IN RESHUFFLE

Canberra THE AUSTRALIAN in English 11-12 Aug 84 pp 1, 2

[Article by Paul Lynch]

[Text]

THE ALP has strengthened its electoral hold on the nation, possibly increasing its majority over the Liberal-National Party coalition to at least 30 seats as a result of the provisional redistribution of federal electoral boundaries completed yesterday.

Nationally, based on 1983 federal election results, the ALP will go into the next election with the prospect of holding at least 89 seats in the House of Representatives by picking up 14 of the 23 new electorates created in the redistribution.

The coalition parties will hold a combined total of at least 59 seats, with the Liberal Party expected to increase its representation by seven seats to 40 and the Nationals by at least two seats to 19 in the new 148-member House of Representatives.

A boost to Labor's strength came in the NSW electoral redistribution completed yesterday which assures the ALP of picking up at least six, and possibly seven, of the eight new seats created.

The change to the NSW boundaries was the last of the redistribution of electoral

divisions in all States.

Ironically, the National Party, which championed the redistribution in the hope of creating new rural electorates, appears the big loser, although the party's federal president, Mrs Shirley McKerrrow, said last night that the Nationals were confident not only of maintaining their representation but of winning additional seats in the eastern states.

In NSW, eight new electorates were created, and Labor is confident of winning at least six, while the National Party should pick up at least one and possibly two.

The eighth undecided seat could go either to the Nationals or the ALP, but the Liberal Party has little chance of increasing its representation in the State.

The new electorates in NSW are Lindsay in Sydney's outer western suburbs; Charlton in the Hunter Valley; Dobell based on Wyong; Fowler in the south-western suburbs of Sydney; Gilmore near the city of Goulburn; Greenway in the outer western suburbs of Sydney; Mort near Wollongong; and Page on the north coast.

The new seats increase the number of federal electorates in NSW to 51.

The ALP is confident of picking up all of these seats except Page, which will become a safe National seat. Gilmore could go to either the Labor Party or the Nationals, depending on a margin of about 200 votes.

The changes in NSW mean that Labor will increase its seats by possibly seven to 31, the Nationals by at least one to nine, while the Liberals look likely to remain as before, with 11 federal members.

Of the existing NSW seats, the major parties agree Labor could lose Calare to the Nationals, while at least four other Labor-held electorates have become more marginal.

The three major parties said that while they were generally satisfied with the provisional changes each would lodge appeals about certain "community of interest" problems they perceived.

Nationally, the redistribution will mean that the ALP will dominate the House of Representatives on the basis of 1983 election figures and increase its majority over the coalition parties by five seats to a margin of 30 members.

The Federal Government can expect to have at least 89 seats, an increase of 14 members, the Liberal Party should increase its representation by seven to 40 seats, while the National Party will pick up at least two new seats to give it 19 members in Parliament.

The ALP, apart from a significant boost in NSW, will pick up at least four seats in Victoria, and one each in Queensland, South Australia and Western Australia.

In Victoria the new boundaries will mean that the ALP will have 27 seats (previously 23), the Liberals nine (seven) while the Nationals should continue with only three members.

The National Party remains the political rump. Following last year's election, the National Party held 17 seats, holding 13.6 percent of the vote, but while its total of seats is expected to increase to 19 through the redistribution, its percentage of the vote will drop to about 12.8 percent.

The ALP will remain roughly the same, controlling 60 percent of the vote, while the Liberals will increase their national representation marginally from 26.4 percent to 27 percent.

The NSW general secretary of the Liberal Party, Mr Stephen Litchfield, said the NSW result showed clearly that Labor had done handsomely and could expect to win six of the eight new seats. But he said Labour would lose some of its existing seats.

CSO: 4200/1023

## RIVALRIES WEAKEN REBEL MOVEMENTS

Kuala Lumpur BUSINESS TIMES in English 16 Aug 84 p 21

[Article by Zaw Win]

[Text]

AN ALLIANCE of communist rebels in Burma is being undermined by mutual distrust and suspicion and a struggle for control of opium smuggling, informed Burmese sources said.

They said the Kachin Independence Organisation (KIO) which has a defence pact with the pro-Peking Burma Communist Party (BCP) was looking for other partners because it felt betrayed by its bigger ally.

The communist-led KIO teamed up with the BCP in 1976 but because of BCP indifference has recently turned for help to the non-communist Karen National Union (KNU) operating to its south near the Thai border, the sources said.

They said seized rebel documents showed the BCP wanted to maintain the alliance as a tactical move but mistrusted the Kachin rebels because they lacked ideological conviction and were motivated only by narrow tribalism and religion.

Burmese authorities consider the BCP to be the biggest drug dealers in the infamous "Golden Triangle" which straddles the borders of Burma, Thailand and Laos. But other groups are moving in for a share of the profits to finance their underground activities.

Although the Kachins are led by a pro-communist faction, they are largely Christian and have shown little enthusiasm for communist doctrine.

About a dozen ethnic rebel groups of different ideologies are struggling for causes ranging from independence to the total overthrow of the Rangoon government. They keep Burma's 180,000-strong armed forces busy.

"We fight them all. We make no distinction between one rebel group and another," a senior field commander said.

## Religious lines

Diplomats in Rangoon said the thrust of the army action appeared directed against the BCP, the Karen and the Kachin rebels in that order as they posed the greatest threat to the stability of Burma.

The army launched an offensive against the Kachin rebels in the north last April and fierce clashes between both sides continue, informed sources said. A similar army drive against the Karens in the south is also in progress.

The Kachin rebellion started in 1961 in the rugged hills of Kachin state wedged between China and India. It began in protest against a government decision to make Buddhism the state religion of Burma.

Rebels used public resentment among the state's one million tribesmen to fan a revolt along tribal and religious lines.

The Kachin rebels claim they have an armed strength of 5,000 men but independent sources estimate it at no more than 2,000 to 3,000.

Peace talks with the government were held in 1980 but broke down because rebels insisted on autonomy, self-determination and the right to maintain their own army.

Diplomats in Rangoon said the KIO has not formally severed ties with the BCP but has sought alternative arms supplies directly from China and also from other sources at the Thai border.

"They are not lacking in funds as their rebellion is well-financed by the cross-border trade with China and Thailand," one diplomat said. A main part of this trade is the smuggling of drugs and jade out of Burma.

The diplomats said continuing army pressure against the Karens has for the moment dashed KIO hopes of support from them to offset the weakened links with the BCP. — Reuter

## BURMA MAINTAINS PRESSURE ON KAREN REBELS

Bangkok BANGKOK POST in English 22 Aug 84 p 4

[Article by A.J. Singh]

[Text]

BURMA'S army is continuing its eight-month push against Karen insurgents in the rugged mountains on the border with Thailand. It is beginning to look like a fight-to-the-finish affair, unlike earlier dry-season offensives.

Hundreds of soldiers on both sides have died in the clashes which started last January. Thousands of Karen villagers have been made homeless and have fled into Thailand.

The army has made some significant gains. It controls territory in the Sankhang mountain range and has dug in there. It has also built a helipad on the Nawtaya peak in the Dawana range which facilitates the supply of arms, ammunition and food; and it is maintaining pressure on the Karen stronghold of Maw Po Kay situated on the River Moei, by shelling from 105 mm artillery guns.

At the outset of the offensive there were five Karen bases: Mae Taw Wah, Kierday, Maw Po Kay, Wangkha and Palu.

Mae Taw Wah was overrun by the army in January but despite a heavy artillery and mortar barrage an 8,000-strong force failed to capture Maw Po Kay — the biggest and strongest Karen base on the meandering Moei. The army is believed to have lost 100 dead and 300 injured in the action.

In March, a surprise attack was made on Maw Po Kay, from the rear. A Burmese army contingent stealthily crossed the Moei into Thai territory. But ran into a Thai border patrol unit.

Challenged by the Thais, the Burmese opened fire, reportedly killing two and wounding 13. The noise of the encounter alerted the Karens, and the Burmese hastily withdrew.

The Karens number two to three million people, out of a total population of 33 million. Their differences with the rest of the population go back many years.

Having embraced Christianity during the British Raj, the Karens were recruited to the police and army. They fought for the British in World War II, and were scorned as British collaborators by Burmese nationalists.

When the British agreed to grant independence to Burma, the Karens sent a mission to London to ask for the creation of a separate Karen nation. They were ignored and Burma became independent in 1948, with no mention of a special place for the Karens.

The Karens felt cheated, and did not participate in the Independence celebrations.

Desertions from the military police took place, leading to the formation of an insurgent group under the leadership of Saw Ba U Gyi. The Karen insurgency has continued since then, with the aim of establishing an independent Christian state.

The Karens claim they are unable to retain their identity in Burma, and are not allowed freedom to teach their language, move freely or form political parties.

They also accuse the Ragoon government of misusing overseas development to suppress minorities.

The present insurgent leader is 56-year-old General Bo Mya, the "bluff bulldog." He is president of the Karen National Union (KNU), the political wing of the secessionist movement, and is also chief of its military wing, the Karen National Liberation Army (KNLA).

Bo Mya served under the British in World War II. He joined the Karen revolt in 1949, and has worked his way through the ranks to the very top.

He claims that the KNU has the support of one million Karens living in Kawthoolei, besides those living in the Irrawaddy Delta area. He believes that armed struggle is the only way for Karens to establish an independent state.

KNLA has some 4,000 men under arms, equipped with modern weapons. They are backed by 6,000 volunteers from areas under KNU control.

The reasoning behind the timing of the current offensive is not known, but three developments in 1983 embarrassed Rangoon and may have provoked the government into action.

The first was the stepping up of KNLA guerrilla activity, leading to their first attempt in decades to penetrate deeper into Burma with an abortive attack on Pegu Yoma in state.

central Burma.

Secondly, there was the kidnapping of a French couple working on a cement factory in Myiang Galay, 150 kilometres east of Rangoon, near the Karen capital of Pa'an.

The third factor was the forging of an alliance by KNU with a small militant Muslim group, the Kawthoolei Muslim Liberation Front.

Karens won world publicity during the kidnapping when they asked France to cut off aid to Burma until the Karen homeland was recognised. Both demands were rejected, and the couple was subsequently released.

The army's immediate aim appears to be to break the KNU's economic lifeline. The rebels' revenue comes from eight border "gates" or toll points, through which a vast array of consumer goods (textiles, electronics, medicines) enter Burma's "parallel economy" from Thailand.

The Karens levy a five per cent tax on the value of the goods. They also impose the same duty on raw material passing in the opposite direction (tin ore, teak, antimony and precious stones).

Thus the union nets around \$5 million a year. This is used to buy arms, ammunition and rice from the black-market in Thailand. In addition, the KNU levies a four per cent tax on rice produced in villages under its control.

If the army can squeeze this economic lifeline, it will then go for a massive operation to flush out the insurgents from the Dawana range and other mountainous border areas.

But the bloodiest battles will not come until the end of September, when the dry season sets in.

For the present, the army's artillery shells rain down on Karen outposts, sometimes falling across the Moei River onto Thai villages. One village, Ban Heuy Kaloka, has already been destroyed in this way.

The worst affected are the Karen villagers caught in the cross-fire. Thousands have crossed the Thai border and are in refugee camps at Mae Sam Laeb, Mae Danay, Noebo and Mae Ta. — Gemini

MP LAUDS DENIAL OF US DIPLOMATIC VISA FOR RAMOS HORTA

Jakarta ANTARA NEWS BULLETIN in English 8 Aug 84

[Article: US Denial to Issue Diplomatic Visum to Ramos Horta a Wise Step"]

[Text] Jakarta, Aug. 8 (ANTARA)--The US denial to issue a diplomatic visum to Ramos Horta, as reported by the press, has been appraised by Parliament member H.M. Amin Iskandar as a wise step.

In his statement to the press here Wednesday, the Parliament's committee I (defence/security, foreign affairs and information) member said that the US action was right in time in view of the coming opening of the UN General Assembly's session next September.

This policy, he said, is realistic, based on the actual situation and conditions as well as based on political psychology which at the end will benefit the US itself and its relations with Indonesia. This US step will surely be enthusiastically welcomed by Indonesia, he added.

Amin Iskandar further remarked that if only the US could take a similar stand consistently on other world problems, such as the Palestinian problem, the position of the US as superpower would be more honourable in the eyes of the world.

It is about high time that the US withdraws its support without reserve to Israel for the sake of creating security and peace in the Middle East, which has always been the arena of struggle for influence of the great powers, he said.

CSO: 4200/994



## INDONESIA

### TRADE SURPLUS IN FIRST QUARTER IN 1984

Jakarta ANTARA NEWS BULLETIN in English 10 Aug 84

[Text] Jakarta, August 10 (ANTARA)--Indonesia's trade balance in the first quarter of this year (January to April) noted a surplus of around US\$2,115 million, according to date available at the Department of Trade.

Export value of the total Indonesia's commodities including non-oil/gas during the period stood at US\$7,304 million. Its imports was US\$5,189 million.

Indonesia's export value during the period was derived from oil (US\$ 4,392 million), natural gas (US\$ 1,088 million) and non-oil/gas commodities (US \$1,824 million).

Export of non-oil/gas commodities in the first four months of this year rose by 36.6 per cent compared to the same period of last year which was noted at US\$1,324 million.

Export of agricultural products also increased by 16.06 per cent but its volume dropped by 15.48 per cent.

In the industrial sector, exports value rose by 42.56 per cent compared to the same period of 1983. Its volume also rose by 29.13 per cent.

Export of other mineral products, excluding oil and gas, also went up by 2.32 per cent as its volume rose by 36.94 per cent, the data said.

CSO: 4200/994

## CRUDE, LNG EXPORTS IN FIRST QUARTER OF 1984 UP

Jakarta ANTARA NEWS BULLETIN in English 10 Aug 84

[Text] Jakarta, Aug. 10 (ANTARA)--Indonesia's export of crude and other oil products in the first quarter of 1984 went up by 22.31% compared with that in the same period last year.

The export value of crude and other oil products in the first quarter of 1983 totalled US\$3,394 million against US\$4,151 million in the same period this year. This marks an increase by US\$757 million or 22.31 per cent.

The oil export in the first quarter of 1984 was made up of Pertamina products valued at US\$1,870 million, products of foreign oil companies at US\$1,001 million and products of production sharing companies at US\$1,281 million.

Export of LNG (liquefied natural gas) in the first quarter of 1984 rose by 30.51 per cent against that in the same period of 1983.

Export value of LNG in the first quarter of 1984 stood at US\$1.136 million against US\$870.16 million in the same period last year. This marks an increase by 30.51 per cent or US\$265.50.

The LNG exported came from Badak (valued at US\$593.25 million) and Arun (US\$542.40 million).

Figures can be seen at the following table:

1984	Crude (in thousand US dollars)	LNG (In thousand US\$)
January	1,027,785	255,739
February	997,424	301,693
March	1,032,175	280,894
April	1,093,587	297,327

## INDONESIA

### TRADE WITH EASTERN BLOC COUNTRIES YIELDS SURPLUS

Jakarta ANTARA NEWS BULLETIN in English 13 Aug 84

[Text] Jakarta, August 13 (ANTARA)--Indonesia's balance of trade with the socialist countries in the last five years was always in favour of Indonesia with the exception of that in 1982 in which this country suffered a deficit of US\$30.91 million.

Figures at the Department of Trade showed that the value of Indonesia's exports to the socialist countries in 1979 reached US\$126.58 million, while the country's imports from those countries were estimated at US\$ 109.35 million, a surplus of US\$17.23 million for Indonesia.

Indonesia's 1980 exports to the socialist countries reached US\$162.90 million, and imports dropped to US\$87.57 million, a surplus for Indonesia of US\$75.33 million.

Indonesia's 1982 exports to the socialist nations dropped to US\$76.36 million, while imports rose to US\$107.27 million, a deficit of US\$30.91 million for Indonesia.

In the meantime in 1983, Indonesia's exports to these countries picked up momentum and reached US\$146.38, while the country's imports dropped to US\$103.52 million, a surplus of US\$43.06 million.

The socialist countries dealing with Indonesia include Czechoslovakia, East Germany, Hungary, Poland, Rumania, Bulgaria, the Soviet Union and Yugoslavia.

The lion's share of Indonesia's 1983 exports to the socialist nations went to the Soviet Union, followed by Poland, Rumania, Yugoslavia, Czechoslovakia, East Germany, Hungary and Bulgaria.

Most of Indonesia's imports from the socialist countries came from Rumania, followed by those from the Soviet Union, Poland, Yugoslavia, East Germany, Czechoslovakia, Bulgaria and Hungary.

Indonesia's export commodities to the socialist nations include rubber, coffee, plywood, spices and garments, while imports comprise fertilizer, capital goods and chemicals.

ISKANDAR MUDA FERTILIZER PLANT IN ACEH NEARS COMPLETION

Jakarta ANTARA NEWS BULLETIN in English 2 Aug 84

[Text] Banda Aceh, Aug. 2 (ANTARA)--The Iskandar Muda fertilizer plant in Krueng Geukuh, Aceh Utara regency in Aceh, is capable of producing 570,000 tons of area annually and 1,000 tons of amonia daily.

After its completion this fertilizer plant will be one of the eleven plants to produce fertilizer for Indonesia's requirements.

Iskandar Muda fertilizer plant (PIM) chief director Ir Djarot Djojo Kusumo said Wednesday that this fertilizer plant project was initiated by PT Pupuk Sriwijaya (the Sriwijaya fertilizer plant) in 1980 and the Iskandar Muda fertilizer plant (PIM) company established in 1980 followed by the project's physical construction.

The project construction costs were estimated at Rp.424 billion, consisting of Rp. 225.4 billion in foreign loans, PT. Pupuk Sriwijaya's share Rp. 40 billion and bank credits Rp.159.1 billion.

The PIM director also explained the economic and technical considerations which led to the Kruen Geukuh area as the choice for the plant's stie, among others through the availability of great natural gas reserves in the Arun area, as well as port facilities and other supporting facilities. Further the PIM is situated close to the ASEAN fertilizer plant (AAF).

Operational at the end of December 1984

Djarot Djojo Kusumo further said that the plant which was nearing completional at the end of December of this year, followed by its, inauguration in early 1985.

The plant's first ammonia production will be available at an earlier date, viz. in November of this year and the first urea grains in December, he added.

The plant's site covers an area of 276 hectares, including the residential area for the employees.

A special port is also being constructed for shipments of PIM products, which is built close to the PTPupuk ASEAN port and Krueng Geukuh port.

The PIM port will be capable to accomodate ships of 10,000 DWTs.

CONTRACT ON INSTALLATION OF SUBMARINE CABLE COMMUNICATION SIGNED

Jakarta ANTARA NEWS BULLETIN in English 3 Aug 84

[Text] Jakarta, Aug. 3 (ANTARA)--The installation of Australia-Indonesia-Singapore sub-marine cable communication system is scheduled to be completed by 1986.

The contract for the US\$148.9 million worth of project was signed in Sydney, Australia, on July 20, 1984, the president director of PT. Indonesian Satellite Corporation (Indosat), Ir.J.L. Parapak, told the press here Thursday.

The contract was signed by PT.Indosat from Indonesia, OTC from Australia, Telecoms from Singapore, Philcomsat from the Philippines, KDD from Japan and C&W from Honkong.

Parapak said the Australia-Indonesia-Singapore sub-marine cable communication system would also connect the Southeast Asian region with the East Asian region through the ASEAN sub-marine cable communication system.

Apart from that the A-I-S sub-marine cable communication system will connect Southeast Asia with Mideast and West European countries through the Southeast Asia-Middle-East-Western Europe sub-marine cable communication system, he explained.

CSO: 4200/994

GRESIK PETROCHEMICAL PLANT EXPANDS OPERATIONS

Jakarta ANTARA NEWS BULLETIN in English 14 Aug 84

[Text] Surabaya, Aug. 14 (ANTARA)--The Director General for Basic Chemicals, Sidharto, Monday commenced the operation of the second-phase expansion of PT. Petrokimia Gresik which engaged in producing sulphuric acid, phosphoric acid, sulphuric ammonia fertilizers, fluoride aluminium and gypsum.

The second phase expansion project will have the following production capacity: Sulfuric acid amounting to 510,000 tons a year, fluoride aluminium amounting to 12,600 tons a year and gypsum amounting to 440,000 tons a year.

Apart from the expansion project, a unit of facilities involving steam, electricity air and water filters and a conveyor unit along 17.5 km have also been built. The overall cost of the project is estimated at rp.207 billion, including Rsp.37.5 billion for its working capital and Yen 32,150 million for covering expenses overseas.

The works of the expansion project were completed by a consortium of Mitsubishi Corporation and Hitachi Zosen Corporation in 36 months since February 1, 1982.

The President Director of PT. Pegrokimia Gresik, Drs. Sjafaroedin Sabar, said that in efforts to accelerate the process of technology transfer, some 13 engineers had been sent to Japan, and another 41 despatched to other countries.

If the second phase project operates fully it will reduce foreign exchange spending by more than US\$56,855 million a year.

CSO: 4200/955

SUBROTO ON COMPLETION OF DUMAI HYDROCRACKER PLANT

Jakarta ANTARA NEWS BULLETIN in English 3 Aug 84

[Txet] Jakarta, August 3 (ANTARA)--Minister at Mines and Energy Dr. Soebroto told newsmen after he met President Soerharto at Bina Graha here Thursday that the hydrocracker oil refinery in Dumai would be completed at an estimated cost of around US\$1.5 billion.

When the feasibility study of the project was conducted in 1973, it was estimatedly to be completed at a cost of US\$750 million, involving only the plant and excluding the supporting facilities, such as a seaport, he explained.

Soebroto still could not be able to disclose the amount of funds that had been spent for the handling of the project up to the present time. "We must examine whether the project to be handed over the contractor has been satisfactorily completed," he said.

He stated that unit I of the hydrocracker refinery had been operating since Wednesday night, producing kerosene, automotive diesel oil, industrial diesel oil and liquefied petroleum gas (LPG). Unit II of the refinery is expected to start operation soon, he said.

In reply to question, the minister said the operation of the hydrocracker refinery in Dumai, which was inaugurated by President Soeharto earlier this year, had to be delayed, as the operation of the processing units had to be carefully handled to avoid explosion during the start-up.

CSO: 4200/994

LOCAL MADE SHIPS TERMED EXPENSIVE

Jakarta ANTARA NEWS BULLETIN in English 8 Aug 84

[Text] Cirebon, Aug. 8 (ANTARA)--Ships made by domestic ship builders are still expensive and the quality is lower than those made in Taiwan, Singapore and South Korea.

This was disclosed by Minister of Industry Ir. Hartarto when inspecting the Nusantara dock and shipbuilding yard at Cirebon seaport, Tuesday.

He said that the government had been encouraging the implementation of industrial development program and its impact which was based on the results of the second and third five year plans (Pelita) on the national industrial sector.

The minister also mentioned the potency of industry in West Java such as metal and iron industry in Banten and textile in Bandung and several other small scale industries in the province.

He said West Java has about 800 small scale industrial centres for which the government would provide credits amounting to Rp.800 billion.

CSO: 4200/994



OVER 50,000 METERS OF BRIDGES PLANNED IN PELITA IV

Jakarta ANTARA NEWS BULLETIN in English 10 Aug 84

[Text] Jakarta, August 10 (ANTARA)--The Directorate General for Bina Marga (Road Development) of the Public Works Department is assigned to build 50,000 m long bridges in various areas in the country in Pelita IV (fourth five-year development plan - 1984/85 to 1988/89).

This was disclosed by Ir. Tyarifuddin Alambay, logistic director of the Directorate General for Bina Marga, in Jayapura Wednesday when he visited the Irian Jaya province to see the progress of road development.

Those bridges will be built with steel and reinforced concrete construction and will be financed with funds provided by the government through the Pelita budget and foreign aid, according to Syarifuddin.

Of the steel frames and reinforced concrete required for the construction of those bridges, 20,000 m are from Australia, 7,000 m from the Netherlands, 8,000 m from the World Bank, 10,000 m from Britain and the remaining 5,000 m from Indonesia.

Part of those materials have been arrived in Indonesia and will soon be sent to the locations of the projects, Syarifuddin said.

Concerning the trans Irian Jaya road project, he said that part of the trans Irian Jaya roads which linked Abepantai-Ubruk-Osibil have functioned well.

He stressed the importance of paying serious attention to the maintenance of the roads which constituted an important means for economic and social development in the province, particularly in areas along the roads..

The trans Irian Java roads are built to help Irianese people and transmigrants improve their livelihood through the stepping up of economic development, he revealed.

He also pointed to the need to build bridges on the Tami and Sukanto rivers as soon as possible as the available bridges had no longer been able to function well.

TARBIYAH ISLAMIAH ADOPTS PANCASILA AS SOLE PRINCIPLE

Jakarta ANTARA NEWS BULLETIN in English 11 Aug 84

[Text] Jakarta, Aug. 11 (ANTARA)--The national congress of Tarbiyah Islamiah held recently here has come up with a determination to adopt Pancasila as its sole principle.

Tarbiyah Islamiah is an Islamic social organisation mainly concentrating its activities in the education field.

Results gained during the congress were reported to Information Minister Harmoko Friday by the chairman of Tarbiyah Islamiah, K.H. Achmad HMS.

During the meeting with Minister Harmoko, K. H. Achmad HMS who was flanked by five central organising board members of the Islamic organization also introduced several new Targiyah Islamiah's central executive council members for 1984-89 period.

The organization has put da'wah (Islamic propagation) and education high in its next working agenda, the chairman added.

On the occasion minister Harmoko suggested Tarbiyah Islamiah to tie close cooperation with the information ministry especially in its da'wah programs on Indonesia's development plans.

CSO: 4200/994

ABORTION RULED OUT IN FAMILY PLANNING PROGRAM

Jakarta ANTARA NEWS BULLETIN in English 3 Aug 84

[Text] Jakarta, August 3 (ANTARA)--President Soeharto firmly stated here Thursday that abortus provocatus was not one of family planning methods implemented in Indonesia due to the fact that Indonesia was basically anti-abortus provocatus.

This was disclosed by the Head of the National Family Planning Coordinating Board (BKKBN), Dr. Haryono Suyono, at the Bina Graha presidential office here after having a meeting with the Head of State.

Dr. Haryono said the abortus provocatus was considered an illegal act and liable to legal measure although under the pretext of carrying out family planning program.

He also said that good family planning acceptors were those who applied allowed contraceptives, and couples who did not want to have any more children would not undergo abortus provocatus criminalis.

Answering a question, Dr. Haryono confirmed that the BKKBN report on the population growth rate at 2.34 percent was sometimes debated by various circles. "It is natural, because there are many seminars and workshops which discuss population problems. From such meetings we are trying to look for the best motivation methods for the implementation of the national program of family planning in Indonesia," he added.

He considered as a serious challenge a target of the population growth rate said at 2 percent at the end of the Fourth Five Year National Development Plan (Repelita IV).

CSO: 4200/994

TRANSMIGRANTS TOLD NOT TO COMPLAIN TOO MUCH

Jakarta ANTARA NEWS BULLETIN in English 13 Aug 84

[Text] Mataram, August 13 (ANTARA)--West Nusa Tenggara Governor Gatot Suherman called on transmigrants not to complain too much in facing difficulties.

The government has provided them with sufficient basic necessities. Therefore, they should work hard and persevere, he added.

The governor was commenting on rumours that transmigrants of local Roroitu and Kesiji villages in Dompu regency, Sumbawa, had to look for water at a distance of some 2 kilometers.

The transmigrants also requested the government to extend the expired period of receiving aid for basic needs because up to now they still can not afford to buy the things they need.

Gatot Suherman reminded that transmigrants should be pleased with their present conditions which are better than those of the past. At present they have their own house and plot of land to work on. In addition they enjoy a one-year supply of basic commodities.

CSO: 4200/995

SUDOMO OPPOSES RAISING EFFICIENCY THROUGH WORKER REDUCTION

Jakarta ANTARA NEWS BULLETIN in English 15 Aug 84

[Text] Jakarta, Aug. 14 (ANTARA)--Minister of Manpower Soedomo once again expressed his disagreement with the practice of stepping up efficiency by reducing the number of workers or employees.

Speaking to the press after officially opening a symposium on work productivity here Tuesday, Minister Soedomo said such measure was a usual method in some other countries to improve efficiency, aimed at keeping down personnel costs.

He reminded in this context that such practices were not suitable to Indonesia, where the situation and conditions were different from those in other countries.

He also reminded that the government will continue to make efforts at creating new job opportunities. The developments taking place in Indonesia, he said, must also create new jobs.

He said 9.3 million more jobs will be needed during the current Fourth Five Year National Development Plan period, while it was estimated that only 6.1 million will be created.

Therefore, he said, work for 3.2 million people has to be created during that particular period.

He also underlined the necessity for government and private business companies in Indonesia to conduct careful manpower planning.

Manpower planning, he pointed out, constituted the key to success of a company.

He reminded that as long as state-run companies were not managed on a purely commercial basis, it would be difficult for them to boost productivity.

In this context he pointed to the fact that many government projects had been left for their completion to private undertakings for reasons of efficiency.

Referring to a number of measures the government has taken in raising the productivity of manpower, he said they included training, increase of minimum wages and the creation of more open and human managerial systems.

The three-day symposium is held by the Business, Economics and Finance Institute.

CSO: 4200/995

INDONESIA

## STEPS TO RAISE JOB SKILL OF HIGH SCHOOL GRADUATES

Jakarta ANTARA NEWS BULLETIN in English 16 Aug 84

[Text] Jakarta, Aug. 16 (ANTARA)--Manpower Minister Sudomo disclosed Tuesday that he would take necessary steps to overcome the explosion of highschool graduates in 1984 with more concrete programs to step up their skills.

In an exchange of views with the Jakarta newsmen, he added that the result of Sipenmaru (test to enter university) showed that only 72,000 out of 430,000 prospective students were received in several state universities.

If half of them entered private colleges, it would be 200,000 highschool graduates to enter the labour market with no skill at all.

"For these all I will soon take necessary steps to overcome the problems", he said.

He said that he would invite all Java chiefs of manpower offices to meet here and brief them on what steps they should take to tackle this manpower problem.

Sudomo also said that he would launch a labour intensive project for high-school graduates and spread it to several cities in Java.

A similar project was held in Jakarta last year and ended with a success, he noted.

Languages.

Another program to overcome the explosion of highschool graduates is made through the setting up of a mass language course.

Two languages to be intensively taught at the course are English and Arabic.

"I will try to teach them to have a good command of these two languages", Sudomo said, adding that if so they would be qualify to enter the labour market abroad.

Minister Sudomo, who has just returned from a vacation abroad, further said that good vacancies are still widely open in the Middle East and Canada for Indonesian workers, provided that they have good command of two foreign languages.

## ANTI-PRK GUERRILLAS SEEK PERSONAL SUPPORT

Bangkok THE NATION REVIEW in English 8 Aug 84 p 5

[Text]

TWO years ago, the entire city of Phnom Penh lay in ruins. A year ago, the walls and ceilings of damaged buildings were being repaired. The inhabitants were barely scraping out a living.

Now, brightened up by trees in full bloom, the streets of the capital of the People's Republic of Kampuchea are hardly recognisable. Two- and three-storey buildings fronting the street have been properly repaired. Some are painted pale-red, some cream. The city once called the Paris of the Orient appears to be quickly returning to normal.

"All the citizens went at the reconstruction and beautification of the city with a will in preparation for the fifth anniversary celebration of the People's Republic," said Mr Keo Chanda, governor of the capital. The celebrations were held in January.

In the central market, trading was brisk. Mangoes and durians, huge dried fish and fowl were piled high. Available consumer goods ranged from jeans to perfume. It was obvious that quite a number of the goods on sale were smuggled into the country from Thailand.

"Supplies have increased, but prices have gone up too," said an official guide from the Ministry of Foreign Affairs.

The guide said he receives a monthly salary of 200 riels. That is about US\$20 (M\$46) at the official rate, but only US\$3.60 at the effective or black-market rate. He said he finds it very difficult to get by, although he receives rations of rice and other essential items in addition to his salary.

Deputy Prime Minister Chea Soth, who is also Minister of Economy and Planning, disclosed in an interview that he draws a salary of 500 riels (M\$115) a month.

"My wife is raising hogs and growing vegetables," he said.

He said President Heng Samrin's monthly salary is about 600 riels (M\$138). It is said the wives and families of government officials have to work to make ends meet.

## Supply

In a communist society, the booming market seems incongruous. Mr Chea Soth explained: "Domestic production of necessities is still inadequate. So we have to turn to merchants for supplies for the time being."

There are developments threatening the peace of the Kampuchean people. Reports filtering into Phnom Penh say forces loyal to Pol Pot have started guerilla activities again.

Earlier, it was reported that some Soviet advisers had been killed. Since then, foreigners have been denied access to these areas.

The stepped-up guerilla activities are "part of the liberation movement aimed at pushing back the occupying Vietnamese forces," according to the Democratic Kampuchean coalition led by Prince Norodom Sihanouk and backed by China and Asean. Whatever reasons the anti-Vietnamese coalition may give, many Kampucheans have the jitters because they have not forgotten the Pol Pot years, when many people watched as their families were massacred.

At a junior high school in Prey Veng, it was learnt that 440 out of its 1,100 students lost one or both parents during the Pol Pot regime. Two young women doctors at a Prey Veng hospital said that only about 40 of their 200 classmates survived. An official on the provincial committee in Kompong Chhnang province said only two of the 300 secondary school teachers in the province survived Pol Pot.

"I am one of the two," he said.

The manager of a textile mill in Phnom Penh said he had lost 10 of his children.

## Advance

The Vietnamese troops rescued a large number of people from the holocaust during their advance deep into the country. Naturally, the Kampucheans felt grateful to the Vietnamese. As Hanoi's military occupation contin-



ues, however, traditional anti-Vietnamese sentiment has begun to resurface.

Even some officials in the Heng Samrin government have privately expressed their disaffection with Hanoi, which will not relinquish its hold on their country, Western sources in Phnom Penh said. The sources also said that no one supports the Pol Pot faction.

"Kampuchians have no alternative but to allow the Vietnamese forces to stay in order to check the menace from the Pol Pot element," they said.

So long as the Pol Pot faction exists, Hanoi will not withdraw its troops, the People's Republic of Kampuchea will not obtain a seat in the United Nations, and the country will remain politically isolated. Since emergency aid from the United Nations ended in 1981, the people of Kampuchea have done what they could to rebuild their country on their own.

The rice harvest season has begun in what was formerly a major rice-exporting nation. At one time, Kampuchea produced three million tons of rice annually. During the Pol Pot years, production plummeted to 800,000 tons, and the people faced starvation. In 1982, rice production went up to 1.6 million tons. But during the next two years, floods alternated with droughts, and production is still low.

"Irrigation facilities, fertiliser, machinery, engineers and seed are all badly needed," said Mr Chia Kong, director-general of the Planning Bureau of the Ministry of Agriculture.

Groups of volunteer relief workers have come from the West. They are repairing irrigation facilities and supplying parts for machinery and medicine. But their activities are on a very small scale.

The coalition government and the refugees in Thailand are receiving generous aid from the West, but the ordinary Kampuchean people are not, complained one relief worker from the West.

CSO: 4200/1007

## PRK OFFICIALS DESCRIBE PROBLEMS; SALARIES, CONDITIONS SEEN

Kuala Lumpur BUSINESS TIMES in English 9 Aug 84 p 21

[Article by Yayori Matsui]

[Text]

WANT to adopt a guerrilla? It is easy, and gratifying.

That's how the Khmer People's National Liberation Front (KPNLF), one of the main three Khmer resistance groups fighting against the Vietnamese, is seeking support for its growing army of guerrillas.

The invitation was published in a column titled "Sponsoring a Combatant?" in the latest issue of the monthly bulletin issued by the KPNLF, which is led by Premier Son Sann.

It says that with a contribution of \$10 (about 230 baht) a month, you can sponsor a guerrilla of the KPNLF. The money will be used to buy basic personal gear, which includes uniform, underwear, knapsack and shoes, for one "needy and deserving KPNLF combatant."

It says in return, you will get a letter of thanks, a photograph of the combatant wearing the gear you have provided, "and most important of all, the satisfaction of having contributed directly to the liberation of the Khmer Motherland from the Soviet-bankrolled Vietnamese aggressors."

The bulletin says contributions to the KPNLF combatants can be sent to KPNLF General Staff C/O Kor Sar, P.O. Box 22.25, Ramintra Post Office, Bangkok 10220.

CSO: 4200/1007

## GOVERNMENT PANEL TO FIGHT MUSLIM DEVIATIONISTS

Kuala Lumpur NEW STRAITS TIMES in English 10 Aug 84 p 4

[Text] Kuala Lumpur, Thurs--The Information Ministry has set up a committee to help prepare and coordinate programmes to combat deviationist teachings and activities which can split Muslims in the country.

It will study daily reports and make recommendations on the types of programmes needed to clarify the issues involved, Information Minister Datuk Rais Yatim said today.

The recommendations will be submitted to the Ministry's action committee and the programmes decided on will be carried out through the Government media, both print and electronic, he told reporters here after receiving US Ambassador Thomas Shoemith at his office.

"The programmes will be presented in an attractive manner so that whatever is forwarded--an explanation of a Government action, for example--is understood and accepted by the people," he added.

The 10-member committee is chaired by Deputy Information Minister Mohamad Kassim Ahmad.

The other members are officers of the Information Ministry, the Home Ministry, the Culture, Youth and Sports Ministry and the Religious Affairs division of the Prime Minister's Department, and representatives of the Syariah (Islamic law) faculty of the University of Malaya.

Datuk Rais said the programmes will include features which were well written so that they will be effective in combating deviationist teachings or activities aimed at disrupting Muslim unity.

He said the people involved in such activities had "gone beyond the limits of the law," acting as though they had no regard for freedom, and for law and order.

He hoped the programmes will inculcate in the people a deeper appreciation of freedom and law and order.

Datuk Rais believed the committee will enable the Ministry to be more effective in tackling issues or situations facing the Muslim community.

He cited the proposed ban on all objects that could be used as dangerous weapons, including traditional keris and spears, as an example of a Government move that had not been followed up with adequate explanation to dispel any misunderstanding.

#### Reports

Datuk Rais said the 420 officers of the Ministry's Special Affairs division throughout the country had been directed to prepare daily reports for the committee.

The reports will cover all relevant issues, including politics, economics and religion.--Bernama

CSO: 4200/1027

ANTI-NATIONALIST ELEMENTS TARGET POLICE, ARMED FORCES

Kuala Lumpur NEW STRAITS TIMES in English 11 Aug 84 p 4

[Text]

ALOR STAR, Fri. — Wanita Umno leader Datin Paduka Rafidah Aziz today spoke of activities of a group which is trying to influence members of the armed forces and the police to oppose the Government.

She said the group was using various methods to instigate members of the uniformed organisations. Some had apparently succumbed to the influence.

Datuk Paduka Rafidah, who is also the Public Enterprises Minister, said this at the Kedah Wanita divisional leaders' meeting held at Wisma Negeri.

"The activities of this group are a threat to national security."

If the nation's security was affected, economic and political stability would be similarly affected.

Without security and political and economic stability the nation's development could face a major setback.

She called on Wanita Umno members to resist and fight against the activities of this group, which she said was out to create disunity among the people.

"Members should lend a hand in fighting these anti-national elements.

"If these elements are allowed to carry out their activities, they will indirectly destroy the nation and its people."

Wanita Umno, she said, should be prepared to defend the nation from enemies, both internal and external.

These enemies, she said, were constantly intensifying their activities to disrupt peace in the country.

SABAH PARTY OFFICIALLY APPROVED

Kuala Lumpur NEW STRAITS TIMES in English 17 Aug 84 p 4

[Text]

KUALA LUMPUR, Thurs. — The acronym for Parti Bersatu Rakyat Bumiputera Sabah, Perkasa, was today changed to Bersepadu.

Former Federal Territory Minister Datuk Pengiran Othman Rauf, the pro-tem president of Bersepadu said the application to set up the party was officially approved today by the Registrar of Societies.

Datuk Pengiran, former vice-president of Berjaya was expelled in June last year for breach of party discipline.

He applied for the formation of new party under the acronym, Perkasa, in September.

He said: "The change in the acronym is in keeping with the party's intention to unite the people of Sabah and we feel that this is a more appropriate acronym."

"Bersepadu will open 48 divisions and a few hundred branches to unify the people of Sabah."

He told a news conference that the members of Bersepadu would consist of Sabahans from various strata of society and members of some existing political parties.

He was confident that Bersepadu would be successful in future and that be well received in the next general elections.

He added that Bersepadu's supreme council would be announced in about a month's time.

Datuk Pengiran hoped that Bersepadu will be given an opportunity to join the Barisan Nasional.

"It is our intention to form the next State Government if we are chosen by the people."

"We are not likely to participate in any by-election in the State. Nevertheless, we plan to channel all our efforts for the general elections," he said.

CSO: 4200/1028

## UMNO URGES FIRMNESS IN CERAMAH BAN

Kuala Lumpur NEW STRAITS TIMES in English 11 Aug 84 p 5

[Text]

**KUALA LUMPUR, Fri.** — Umno today urged the Government to ignore condemnations and views by opposition groups and parties on its ban on ceramahs in Kedah, Perlis, Kelantan and Terengganu.

Its secretary-general, Datuk Sanusi Junid, making the call today, said the Government was responsible for the maintenance of peace and if it failed in its duty, posterity would blame it for the chaos that resulted.

"It is the wicked intention of the Opposition to smear the record of a Government that had ruled fairly well since Independence," he told a Press conference at the Umno headquarters.

Umno and the Government would not compromise in efforts to maintain peace in the country, he said.

"If Umno and the Government fail to maintain peace and strengthen nation-building in every field, then the capability of Muslims as leaders of the party and the Government will be questioned by others."

Datuk Sanusi, who is also the National and Rural Development Minister, said Umno was proud that all its divisions and branches in Perlis and Kedah had complied with the ban on ceramahs.

"Umno welcomes the Government's action in extending the ban to Kelantan and Terengganu," he said.

Datuk Sanusi said Umno headquarters, from reports it received, had learnt that there were more Umno ceramahs that had been can-

celled than those organised by other parties even though the Umno ceramahs were already planned.

Umno, he said, had voluntarily cancelled these ceramahs as an example to the Opposition parties.

"We support the Government's action in the interest of peace and national stability because without peace, all development projects would be meaningless as they would fall," he added.

Datuk Sanusi said it was vital for Umno as the largest Islamic party in the country and third largest in the world, to protect the image and name of Islam so that it would not be regarded by non-Muslims as a religion responsible for chaos during a time when its followers are the country's leaders.

He called on Umno members to expose the country's enemies who use religion and who were "wolves in sheep's clothing."

Umno leaders and members, he said, should also explain to the people that the Government was taking action only against those who were irresponsible and threatened national security.

"There are also others who 'beat their chest' so that they will be arrested and therefore hailed as heroes."

"But the Government definitely will not arrest them unless they pose a threat to national security," he added.

Datuk Sanusi said it was important to maintain peace in the country through racial unity.

But, he said, before a particular race could call for racial unity, that race should first be united.

"We are from one race, with our plus and minus...we have to be united to improve the situation we are in."

## HIZBUL MUSLIMIN PARTY SUPPORTS CERAMAH BAN

Kuala Lumpur NEW STRAITS TIMES in English 11 Aug 84 p 5

[Text]

**KUALA LUMPUR, Fri.** — Hizbul Muslimin today came out in support of the Government's restrictions on ceramahs or political meetings in Kedah, Perlis, Kelantan and Terengganu.

Its president, Datuk Asri Haji Muda, said the party supported the move in principle as it was solely aimed at ensuring the security of the nation.

Datuk Asri said the party like the Government felt uneasy over Pas-organised ceramahs which were filled with speeches instigating the people to resort to violence against the Government and condemning the Government or its officers as infidels.

"I am not in the least surprised at the intensity and emotive nature of the Pas ceramahs. That they use such ceramahs to indiscriminately condemn the Government is totally expected.

"I never agreed with such ceramahs when I was the president of that party. That was one of the reasons why I left (the party)," he said.

The Government yes-

terday extended its restriction on ceramahs or closed-door political meetings to Kelantan and Terengganu. The restriction was earlier enforced in Kedah and Perlis.

Acting Prime Minister Datuk Musa Hitam said the move was a temporary measure aimed solely at checking the provocative situation that had arisen among residents in the States concerned.

### Listeners

He said police would only allow those ceramahs where the speakers did not exhort their listeners towards violence.

Datuk Asri said political parties should not indiscriminately condemn or make sweeping accusations against the Government or its policies but speak out only when they feel that a certain policy was unsuitable or not in the people's interest.

The Socialist Democratic Party (SDP), however, hit out at the Government for restricting the ceramahs.

CSO: 4200/1027



KELANTAN PAS TO CONTINUE CERAMAHS

Kuala Lumpur NEW STRAITS TIMES in English 11 Aug 84 p 5

[Text]

**KOTA BARU, Fri.** — Kelantan Pas will continue to hold ceramahs in its bid to gain more support for the party, its State liaison secretary Haji Mohamad Amin Yaacob said today.

He said the party held a ceramah at Bachok last night and another would be held tonight at Banggu in Peringat.

Haji Mohamad Amin said that Pas would not stop holding ceramahs because the party intended to continue in its struggles to further the cause of Islam.

"We are certain that we can find a way to hold the ceramahs," he stressed.

Deputy Prime Minister Datuk Musa Hitam announced last night that the ban on political gatherings had been extended to Kelantan and Terengganu, starting yesterday.

The ban was imposed in Kedah and Perlis earlier this week.

Haji Mohamad Amin said that the ban on political gatherings imposed by the Government was like a "flood".

"One can build a dam to divert the water in other directions," he said.

The Pas State liaison secretary said that Pas would hold ceramahs but would conduct them in such a way that they could not be accused of being a threat to the national security.

Haji Mohamad Amin said Pas was confident it would win in the coming general elections in the State because "we believe the Government move to ban political gatherings was spurred by concern of the spread of Pas influence in Kedah, Perlis, Kelantan and Terengganu."

CSO: 4200/1027

PERAK PAS DEFIES CERAMAH BAN

Kuala Lumpur NEW STRAITS TIMES in English 11 Aug 84 p 5

[Text]

IPOH, Fri. — Perak Pas said today the ban on political gatherings in Kedah, Perlis, Kelantan and Terengganu will not affect its programme to conduct ceramahs throughout the State.

State Pas commissioner Encik Abdul Samad Noh said the ceramahs would be held with local guest speakers as

well as those from outside Perak.

He said the ceramahs conducted did not affect public order and was held away from the main roads so as not to cause traffic problems.

He, however, declined to comment on developments in the States affected by the ban. — Bernama

CSO: 4200/1027

## PAS USES CASSETTES AS POLITICAL WEAPON

Kuala Lumpur NEW STRAITS TIMES in English 12 Aug 84 p 14

[Text]

"THOSE who say that *syariah* law, like the law that punishes *zina* (adultery) with stoning, is draconian — those people are *kafir* (infidel)!"

The voice on the cassette-player came to a halt. In the hush that ensued, the man donning the white skull cap looked intently at the faces of the men seated on the mat spread out on the *kampung verandah*.

They nodded in acquiescence. Amidst the din of nocturnal insects the men spoke in barely audible tones.

Drawing the single kerosene lamp close to his mouth one of them stooped to light the remainder of his *rokok daun*. The shadows on the wall came alive and a mild breeze rustled through the fruit trees surrounding this little village near Pendang in Kedah.

"Why doesn't the Government see things in the right perspective?" another man asked as he poured coffee from the aluminium pot.

The man with the white skull cap looked at

each man in the face in turn and said: "The Government leaders can never understand these things. They are too materialistic. They are followers of Abu Jahal (a man condemned by Islam for his efforts to bring about the downfall of the Prophet and the early Muslims)."

And he proceeded to give a commentary on what was said in the cassette they had just been listening to.

There was no debate as the men merely nodded their agreement.

## Audience

This scene — group listening to cassettes of speeches of religious teachers, including those who claimed they are religious teachers, *Tok Gurus* (usually a title accord-

ed to respected religious teachers) and Pas leaders — has become common in isolated villages in Kedah, Perlis, Kelantan and Terengganu.

With the restrictions imposed on *ceramahs* in these States, the 'cassette campaign' can be expected to intensify. While attendance at a closed door *ceramah* is limited by the size of the room, cassette recordings of the *ceramah* can reach an unlimited audience.

And while action can be taken against those who preach deviationist teachings, there is little the Government can do at the moment to prevent cassettes containing these teachings from being circulated among the people.

Among people whose understanding of the religion is superficial, these deviationist teachings will be accepted as being part of true Islam.

"It is for this reason that the Government is introducing legislation to exercise control over the sale, dis-

tribution and possession of religious cassettes and tapes," said Deputy Home Affairs Minister Radzi Sheikh Ahmad recently.

The new law will make it compulsory for all tapes, including those containing verses from the Quran, to be checked by the authorities before they are distributed to the public.

Many feel that the law is long overdue. They claim that while false versions of the Quran are destroyed by the Government, cassettes containing false verses may be in circulation unchecked.

Some of the cassettes in circulation also contain recordings of speeches made by Pas leaders at seminars and symposiums and even at *ceramahs*. These recordings are usually badly done and listeners have to strain themselves to hear what is said.

## Speeches

There are also those which contain speeches read by the leaders specifically for recording and distribution. These are usually good and unsuspecting passengers in a taxi may think they are listening to a radio broadcast.

Copies of these cassettes are made and distributed to interested party members and are sometimes 'pirated' and openly sold as religious lectures.

Some of these cassettes can be obtained from cassette stands or music shops, like in Kuala Terengganu for instance. In Alor Star they can be obtained at cassette stands at Pekan Rabu and in

Kota Baru they are available at cassette stands near or in the Pas headquarters building itself.

There are also 'agents' in some Government departments who help to circulate the cassettes.

Some of these cassettes, which are purportedly on religion, attack the 'misdoings' of the Government and make fun of the Government Islamisation policy.

But the cassettes containing the 'real hard stuff' which openly slander the Government and Government leaders are only circulated among 'friends'.

Some contain nothing but criticisms of the Government and what Muslims should do to rid themselves of such a Government.

Pas leaders have denied that the party is responsible for the distribution of these cassettes. When confronted with recordings of Pas *ceramahs*, they claim that the party is not responsible for what party members do.

One leader claimed that if those responsible make money out of recording and distributing cassettes of his lectures, 'so be it.'

He had no complaints against these 'pirates' as in the process they were helping to ensure a wider circle of listeners for his lectures.

The 'popular' topics under discussion now are the arrests of the three Pas Youth leaders and the ban on such weapons as *parang* and *kris*. Pas leaders also claim in their taped speeches that they were harassed by Umno workers at their *ceramahs*.

"We are an oppressed group subjected to persecution like that suffered by the early Muslim community under the Prophet. This is a test all true Muslims have to face," said a speaker, working up the feelings of his listeners.

He told those working with the party not to fear as God was behind them. When the Prophet was under attack by the non-believers, the speaker went on, God told him: "When they attack you they are actually going against Me."

He said it was unfortunate for the Muslims that in their fight to establish an Islamic State they were being 'terrorised' by the Barisan Nasional and Umno.

But this was not surprising as the early Muslims too were terrorised by the non-believers in Mecca.

One speaker also said the Home Affairs Minister had to arrest some Pas members as a 'present' to Umno for again making him the deputy president of the party.

In the same cassette he also ridiculed the Prime Minister and the Trade and Industry Minister.

Another speaker, when condemning the Government ban on weapons, said "only an infidel Government" would do such a thing.

Government leaders and those in Umno feel that this kind of manipulation of religion is taking unfair advantage of the people.

## Policies

They contend that cassettes on religious teachings should contain nothing else but how Muslims should

behave and how to properly perform their daily obligations to God.

"There is a time and place for criticising Government policies and it should be done in places where people understand that what is going on is a debate," said an MP from Terengganu.

He said in a public debate, people are given the opportunity to hear both sides and make up their mind on whether a policy was against or in accordance with Islam.

## Titles

A Pas leader, however, maintained that those with a good understanding of Islam should make it their duty to correct those who have deviated from the true path as laid down in the Quran and the Islamic traditions.

The main strategy of Pas now is not to win more seats in the next general election, but to acquaint people with the 'true way' of Islam, he said.

"Once everyone understands Islam and that as true Muslims they must exist only in an Islamic State, then we have succeeded in our mission.

"That is our ultimate objective and that is why we are

going all out to inform and teach the people on the proper teachings of Islam," he said.

While this may be the objective of the party, there are still leaders who, instead of acquainting the people with the 'true teaching' of Islam, are still bent on arousing the people's feelings against the Government.

Some of the cassettes now in circulation bear such titles as *Kafir Mengkafir*, *Loyalty in Struggle*, *The Iran That I Saw*, *Jihad* (Holy War) and *Oppression*.

Among the cassettes widely circulated in Kedah, Perlis, Kelantan and Terengganu are those containing speeches by Encik Fadzil Nor, Harun Taib, Haji Nik Aziz Nik Mat, Ghazali Hasbullah and Ghazali Din.

However, the most widely circulated are those containing speeches by Haji Hadi Awang. Some contain recordings of his speeches at ceramahs, seminars and symposiums while others contain his weekly messages delivered from his mosque in Rusila in Terengganu.

## Messages

Some observers compare even Rusila with Qom in Iran where Khomeini sends out his messages to the people of Iran.

Unlike other Pas speakers, Haji Hadi seldom ridicules Government leaders. He never stoops to make fun of them to make his audience laugh.

A follower said: "He is always serious and sticks closely to his objective of making the people more aware of the need for an Islamic State."

Every Friday, Haji Hadi thunders out his potent message to a gathering of several thousand people at Rusila.

## Right

To him those who question whether an Islamic State is anachronistic and may not be compatible with modern times are *kafir* (infidels).

"Muslims who are *kafir* lose their right to be Muslims. The animals they slaughter cannot be eaten by other Muslims and they cannot act as witnesses in *syariah* courts. They even lose their right to give away their daughters in marriage."

A few days later cassettes of his lecture are in circulation all over the country.

## PAS CALLS OFF ITS SCHEDULED CERAMAHS

Kuala Lumpur NEW STRAITS TIMES in English 14 Aug 84 p 1

[Article by Farush Khan]

[Text]

ALOR STAR, Mon. — Pas has failed to hold its scheduled political ceramahs in Kedah and Perlis since the restriction imposed last week by the Government on political assemblies in the two States.

The party has so far cancelled 10 such gatherings, most of them planned for remote places in the two States.

Last night alone, four ceramahs planned in Kedah and one in Perlis were cancelled on the advice of the police.

Kampung Charuk Puyuh and Kampung Betong in Sik and Kampung Padang Kerasak in Padang Terap, where Pas was scheduled to hold its ceramahs, were found to be quiet between 8pm and 10pm.

Similar sessions scheduled to be held in Kampung Padang, Mukim Pulaui, Baling and in Bukit Keteri, Perlis, were also called off.

It is learnt that Pas had tried to beat the restriction in Kampung Kerasak by trying to hold a ceramah last night.

However, it had to be called off after police set up a roadblock along the route.

Kedah/Perlis Chief Police Officer SAC Abdul Aziz Haji Hussein and Kuala Nerang OCPD Asst. Supt. Haji Ismail Che Hassan reportedly went to the area in the evening.

### Reading

When contacted today, Encik Abdul Aziz confirmed he went to Kuala Nerang but refused to say anything about Pas ceramahs in the area.

About 20 Pas members who went to the place turned the meeting into a yassin reading session.

Perlis Pas is however scheduled to hold a closed-door meeting with the party's central committee members in Kangar tomorrow night.

One of those expected

to attend the meeting is party vice-president Nakhaie Ahmad.

Two ceramahs are scheduled tonight in Kampung Banggol Sembilan, Padang Sanai, and Kampung Musa, Pedu, both in Padang Terap district.

At least two ceramahs planned in Kampung Permatang Keramat in Yan and Kubang Rotan in Padang Terap were called off last week after police set up roadblocks in the areas.

Pas sources today said the party would intensify its meetings, ceramahs and gatherings on a small scale at branch levels in both States make up for the "loss" following the restriction on political meetings and assemblies.

These small meetings and ceramahs, to be held in the houses of its members and attended by between 10 and 15 people, have been held before and after the ban was imposed.

## PAS TO ABIDE BY POLITICAL RESTRICTIONS

Kuala Lumpur NEW STRAITS TIMES in English 16 Aug 84 p 2

[Article by Zubaidah Bakar]

[Text]

KOTA BARU, Wed. — Kelantan Pas is prepared to abide by the Government's restrictions on political gatherings if they are imposed for security reasons, but Pas questions the motives of the Government, State Deputy Pas Commissioner Haji Nik Abdullah Nik Arshad said last night.

Haji Nik Abdullah said this to a small crowd of about 150 supporters at a ceramah in Kampung Pauh, Pengkalan Chepa, where all the restrictions were observed. The ceramah was also attended by State Pas Commissioner Haji Nik Abdul Aziz Nik Mat.

Pas would continue with its struggle to spread its beliefs and influence as far as possible, Haji Nik Abdullah told the crowd.

Police maintained tight security around the area to make sure the organisers complied with the regulations. Several policemen in plainclothes were seen at the ceramah.

Police directed the Pas supporters who were listening to the ceramah in the compound to stay

within the house or leave the area.

### Pictures

Most of them complied with the directive after being advised by the organiser and after a police officer in plainclothes warned them that pictures of them would be taken if they refused.

The house where the ceramah was being held was full of people and the overflow stayed at a house nearby, but a few remained seated on the staircase of the neighbouring house.

Another policeman, also in plainclothes, was seen taking pictures of those standing and squatting in the compound of the house.

Haji Nik Abdullah said that Government action in imposing the ban on political gatherings in Kedah, Perlis, Kelantan and Terengganu was questionable.

"Are political gatherings carried out in other States not a threat to the nation's security?"

He alleged that the

Government had imposed restrictions on political ceramah because it had run out of ideas to influence the people.

Denying the party's activities were posing a threat to the country, Haji Nik Abdullah claimed that the activities carried out by Pas had never caused an uproar or posed a security threat before.

Pas, he said, had never regarded UMNO members as infidels, "it only voiced what was right in the eyes of Islam."

Haji Nik Abdul Aziz denied that Pas was an extremist political party as claimed by certain quarters.

"Pas has never engaged in activities that could reflect it as an extremist party," he said. "Allahu akhbar!" shouted the crowd.

Haji Nik Abdul Aziz urged the people to understand the implications of what the Government was doing and not "be like goats" and follow everything they were told to do.

## LOWER PER CAPITA INCOME REPORTED

Kuala Lumpur NEW STRAITS TIMES in English 11 Aug 84 p 8

[Text]

**KUALA LUMPUR, Fri.** — The per capita household income of urban poor residents is \$187 per month, according to a survey by University of Malaya's Faculty of Economics and Administration.

The survey, conducted recently, covered 2,000 households in 28 communities in Penang, Johore Baru, Kota Baru and Kuala Lumpur.

The dean of the faculty, Dr Fong Chan Onn, in a working paper Urban Poverty in Malaysia said it was below the average per capita household income of \$204 for all urban households in Peninsular Malaysia.

Presenting his paper at a seminar on urban poverty here today, he said food and beverages took up about 63 per cent of their total expenditure.

The proportion, he said, was slightly higher than the corresponding figure of 60 per cent for residents in poor villages as surveyed by the Institute for Medical Research (IMR).

On incidence of poverty among

residents in urban poor areas, Dr Fong said the Chinese households had lower incidence compared to non-Chinese households.

He said this was due to the proportion of family members working in the Chinese households (55 per cent) as compared to the Indians (50 per cent) and Malays (40 per cent).

He added that the lower poverty incidence among the Chinese households was "achieved" at the expense of a lower rate of school attendance.

Dr Fong said residents in the urban poor areas were found to have a relatively high school attendance rate — Malay households 57 per cent and non-Malays 40 per cent.

He said 57 per cent of expectant mothers in the poor areas utilised post-natal care facilities after their last birth.

Dr Fong said the urban poor areas did not have adequate public utility services — 41 per cent had regular garbage disposal services and 46 per cent had accessibility to stand-pipes. — Bernama

CSO: 4200/1027



GROUP ATTACKS LAND DEVELOPMENT PROGRAM

Penang THE STAR in English 15 Aug 84 p 2

[Text]

KUANTAN, Tues. — A certain anti-national group is out to cause trouble in Felda schemes in the State, Mentri Besar Datuk Mohamed Najib Tun Razak said today.

He said the group was carrying out "well-organised activities," including the distribution of cassette and books specially published for Felda schemes, to incite the settlers against the Government.

"They are always bringing up issues that can incite hatred among the settlers against the Government," he said when opening the new Felda Selanchar 2 Umno branch about 175km from here.

"It also claims that the livelihood of the settlers have not changed since joining Felda schemes."

Datuk Najib said that the group even tried to

convince the settlers that they had become mere labourers working for Felda.

He said that it also accused Felda of exploiting the settlers.

"They even try to scare the settlers away by telling them that they will be paying debts to Felda till they die," he added.

Datuk Najib said that all the allegations were untrue and that Felda was

sincere in its efforts to improve the settlers' standard of living.

He stressed that the settlers would be owners of the land they had developed once they settled their debts.

"The Government spends about \$50,000 to place a settler in a Felda scheme, and only asks for the repayment of \$30,000, about 60 per cent, on an instalment basis," he said.

CSO: 4200/1028

CHINESE SCHOOLS REASSURED

Kuala Lumpur NEW STRAITS TIMES in English 17 Aug 84 p 5

[Text] Kuala Lumpur, Thurs--Chinese primary schools can continue to use their existing school songs and badges in the Chinese language, Deputy Education Minister Datin Paduka Rosemary Chong clarified today.

In a statement here, she said there had been no change in the use of language in such schools as far as school songs and school badges were concerned.

Appealing to headmasters not to be over anxious about the issue, she explained that only new Chinese primary schools needed to apply for permission to use school songs and badges in the language.

The permission would be granted following investigation into the cases and approval by the authorities, she added.

She described as misleading reports that existing Chinese primary schools have to use Bahasa Malaysia for their school songs and badges.--Bernama

CSO: 4200/1027

# INDEPENDENCE MOVEMENT IN DISARRAY

Melbourne THE AGE in English 10 Aug 84 p 11

[Article by Helen Fraser: "Fighting Talk in the South Pacific"]

[Text]

**N**EW CALEDONIA'S independence movement is in disarray and there is a threat of violence in the air.

The Independence Front (FI) has broken off dialogue with the French Government and taken a militant turn, developments which have led to the second biggest independence party, the Socialist Liberation Party (LKS), breaking away from the movement.

The break in the somewhat uneasy partnership between the French Socialist Government and the FI poses serious problems for Australia's tiny Pacific neighbor, just as the LKS defection poses serious problems for the FI.

Stability in New Caledonia will now be mainly in the hands of three men: Jean Tjibaou, leader of the FI, a humorous, poetical man who once trained as a priest and who has been widely regarded as a diplomat and moderator; the LKS leader Nidoish Naisseline, a Sorbonne graduate and Melanesian High Chief, traditionally regarded as the radical hero of independence politics; and Georges Lemoine, the French Overseas Minister, described by Naisseline as a Christian and honest man who does not necessarily have the right qualities for politics.

France is going ahead with Mr Lemoine's plan for a five-year autonomy period to be followed by a referendum on independence in 1989, but minus the partners for

whom the project was designed. Last week the FI said it would boycott and disrupt the September elections (which are to usher in the autonomy period) and then create a parallel provisional Government to "lead the country to independence".

This new, more militant strategy which led to the walk-out from the FI of the LKS also involves the creation of a National Liberation Front modelled on those of the Algerians and Vietnamese in their liberation struggles against French colonialism.

The hardening of the FI position is accompanied by a sense of isolation from former friends in the South Pacific and moves to seek support from non-Western organisations and countries.

It is a position which challenges French authority and envisages methods with the potential for violence — occupation of polling booths, theft of ballot boxes, stepping up of occupations of European land, raising of the Kanak flag at town halls — "the prevention at all costs of the application of the French autonomy plan" as the FI leader, Jean Marie Tjibaou, puts it.

The usually moderate Mr Tjibaou has invited FI supporters to form *maquis* or a secret guerilla army and calls for "food, money, information and perhaps grenades". Explaining their position, he says the FI, representing 80 per cent of the Kanak people, can now

count only on themselves to achieve their decolonisation.

"We had a partnership with the French Socialists dating from 1979 when they officially declared their support for self-determination of the Kanak people, and we supported Mitterrand in the 1981 presidential election," Mr. Tjibaou said.

The FI had proposed a transitional period to independence in late 1985 or 1986 with only Kanaks and those with one parent born in the Territory being able to vote on the independence question. But last week these propositions were rejected by the French Parliament and Mr Lemoine's autonomy bill will be promulgated before the end of the month.

"The French Government last July officially recognised the Kanak people's innate and active right to independence", Mr Tjibaou said. "But not one French Socialist was prepared to stand up in Parliament and support our heritage.

"We've done the rounds of national and international organisations — the French Socialist Party, the French Communist Party, the World Council of Churches, the UN and the South Pacific Forum — seeking support for our cause," he says. "We've made some very sympathetic friends but gained nothing concrete."

The bitterness of Mr Tjibaou and the FI also extends to countries of the South Pacific Forum, particularly Australia, which are likely to support the French plan and sidestep making a call at the Forum meeting later this month for New Caledonia to be listed with the UN Decolonisation Committee.

Where once the ALP and the Minister for Foreign Affairs, Mr Hayden, were seen as staunch defenders, the ALP was last month strongly denounced by FI leaders. Australia, they said, was motivated "by fear of problems with their own indigenous people".

FI leaders say they have demonstrated to Pacific neighbors that the peaceful, institutional path to independence is in fact a dead-end.

They feel that after forming a coalition in the Government Council with the small Centre Party two years ago and having shown their capacity to manage the country's

internal affairs, they are now, with the rejection of their independence timetable, no closer to the goals.

But the LKS leader, Nidoish Naisseline, argues differently. He led a walkout of his party from the FI over differences on strategy. Mr Naisseline says that before embarking upon such an important step as "armed struggle" or the pulling out of Government institutions, the FI needs to deal with its own problems.

The five-year-old FI is a facade lacking organisation, financed from overseas and too influenced by a New Caledonian businessman, he says.

He alleges the Front has produced no common strategy for the five parties, no common platform and no joint grassroots movement and that it only exists for overseas audiences or in reaction to Right-wing attacks.

"When we go to Paris, or Canberra, or the UN, we are an Independence Front, but we've never existed as a front in the eyes of the Kanak people," he says.

Mr Naisseline's credentials as a militant independence seeker are impeccable, although he has always been a maverick. After returning from university in 1969, armed with experience of May 1968 in Paris and a consciousness of black power, Mr Naisseline led a movement of radical Kanak youth and focused debate on independence rather than autonomy. Jailed several times by the French for his anti-colonialist activities, Mr Naisseline argues today that the FI is not yet capable of assuming the consequences of a boycott and militant strategy.

The LKS had proposed that the FI continue with what Mr Naisseline terms a mixed strategy: participation in the autonomy process combined with grass-roots activities such as the setting up of co-operatives and Kanak-managed organisations. "At least while we're in the Government Council some of our economic programs are becoming a reality and benefiting the Kanak people."

He argues that by boycotting the elections the FI leaves the stage open for the Right-wing party and their anti-independence Kanaks to

come to power, who would then represent New Caledonia in the UN and the South Pacific Forum.

Mr Naisseline feels it dangerous to compare the Kanak independence movement with liberation struggles in Africa and Indo-China. "Here we are a minority and not as oppressed as others have been — every weekend the cricket fields and churches are full of Kanaks and these people are not ready for an armed struggle. We can't copy the strategies of others," he says.

Due to colonisation and more recent immigration fostered by past French Governments, the Kanak people are now a minority (43 per cent) in their own land. Even with the exclusion of French military and short-term residents from the 1989 poll, a vote against independence is likely.

Georges Lemoine has said recently the 1989 referendum could be brought forward if conditions in New Caledonia were right and the French Parliament agrees. But to Mr Tjibaou and the FI this is too vague — they fear a change of Government in Paris with legislative elections in 1986 and presidential elections in 1988, and a reversal of present trends.

It is the French Government's ambiguity in its relations with the FI that has led to the close of dialogue.

French Government spokesmen have repeatedly warned of the "risks of a bloodbath" from the largely European and heavily armed anti-independence movement if moves towards indepen-

dence were made too quickly. And yet last April Georges Lemoine announced that the State territory committee would work to prepare "the exercise of the innate and active right to independence of the Kanak people". The Right-wing Republican Party did not react to this — and they have not done when each step in the independence direction has been made over the past two years.

As Mr Naisseline says, progress has been made and now all Caledonians talk of independence even if they do not totally accept it.

The options now rest with Mr Lemoine, Mr Tjibaou and Mr Naisseline, but none of the three appears to have strong cards to play.

The French Government views the FI boycott as a disaster but will continue with the elections and the autonomy plan. FI leaders acknowledge that their backs are against the wall, but say they will take responsibility for their actions. Mr Naisseline's party, while the second largest in the front, is very much a regional party in its influence and does not seem capable of grouping the Kanak people behind it. Mr Naisseline has not yet declared whether the LKS will participate in the election, either alone or in coalition with moderate groups of other races.

The coming months will show whether the Kanak people prefer to keep their last card (militancy) in reserve or whether the showdown called by the FI between Kanak forces and the French Government is for real.

PRETORIA CONSULATE ISSUE ILLUSTRATES LANGE-MULDOON DIFFERENCES

Sydney THE SYDNEY MORNING HERALD in English 2 Aug 84 p 9

[Article by Paul Smith]

[Text]

**T**HE anti-apartheid movement in New Zealand is jubilant over the closure of the South African Consulate, and is claiming at least part of the credit for the action.

The closure was on from the day the new Labour Government of David Lange came to power in last month's snap election, with a pledge to shut down the consulate and prevent investment of government funds in South Africa.

After the election Mr Lange made it clear again that the consulate would be closed — but his Government was pre-empted by Pretoria, which yesterday instructed its three diplomats to leave the country without delay.

Hailing the impending departure of the diplomats, Mr John Minto, the spokesman for the major anti-apartheid group, HART (Halt All Racist Tours), said today was "a historic date for New Zealand".

"I think New Zealand is the first Western country to have completely severed its links with South Africa," he said.

"I believe the Government did it partly because of our long-standing campaign to expose the role of the consulate in New Zealand.

"We pointed out that the consulate has been pouring poisonous propaganda into New Zealand schools, libraries and many different organisations. It's confused people about the real situation in South Africa and encouraged racist beliefs in New Zealand."

The consulate opened in Wellington 22 years ago and has frequently been the centre of controversy.

Today Mr Barry Moolman, the

Consul, would not comment any further on Mr Botha's statement. However, he said: "We have made great friends in New Zealand. We are still fond of the country. We are not going to go into anything political at the moment. We have a job to do that is to pack our bags in dignity and not inconvenience the public."

Cutting the links with South Africa will not hurt New Zealand's trade. Exports to the country have run at about \$NZ24 million a year for the past three years, putting South Africa into the minor league of New Zealand's trading partners.

Mr Lange has made it clear the consulate will not be welcomed back until the country has changed its apartheid laws. He sees trade continuing between the two countries, and predicts even wider markets among black African countries following the closure.

Mr Lange told reporters that the move to have the consulate closed grew out of Labour Party policy.

It is, however, a clear pointer to New Zealand's changing foreign affairs emphasis.

The portfolio was handled by the former Prime Minister, Sir Robert Muldoon, but is now in Mr Lange's hands. Significantly some of the first indications of a shift to greater contact with the Third World came only days after he had won office.

Mr Lange said the Government would reopen the High Commission in New Delhi. The commission was closed by the Muldoon Government two years ago on economic grounds. Mr Lange was at Auckland Airport last month to farewell the deputation that finally won

the Commonwealth Games for Auckland in 1990.

It was a well-timed move. Before the deputation flew to Los Angeles for a meeting of the Commonwealth Games Federation, he told members that sports teams from South Africa would not be allowed to compete in New Zealand. He stopped short of saying the Government would prevent New Zealand teams – notably the All Blacks – from visiting South Africa. He made it clear though that those teams would meet with Government condemnation.

Throughout Mr Lange's utterances on the South African issue is an ambition to remain faithful to the principles of the Gleneagles Agreement. He enjoys taunting Sir Robert by reminding him that he originally signed the agreement which condemns significant sporting contacts with South Africa.

What followed, in spite of Sir Robert's signature, was the tumultuous 1981 Springbok tour which split the country and helped Sir Robert back into office.

Three years later Mr Lange seems determined to present a clean image to black Africa where his Government will be opening embassies.

All of this was not lost on Commonwealth Games delegates voting for the 1990 Games venue. Said Judge Trevor Maxwell, one of the members of the New Zealand delegation: "There is no question that the stance over South Africa made a very deep impression on the African countries".

Mr Lange had distanced himself from both South Africa and the New Zealand Rugby Union, which is planning a tour to South Africa next year. His stance helped win the Commonwealth Games for New Zealand in 1990. The closure of the consulate can only add strength to his image in black Africa.

CSO: 4200/1005

TRADE MINISTER ON CLOSER AUSTRALIAN ECONOMIC TIES, ASIAN TRADE

Wellington THE EVENING POST in English 11 Aug 84 p 26

[Text]

SYDNEY. — New Zealand's new Government will be working hard to diversify the nation's exports while moving economically closer to Australia, Trade Minister Mike Moore, said this week.

The minister has wasted little time getting across the Tasman to meet Australian federal and state ministers, and business interests, but he said it was Asia and the Pacific Basin that would become the real trade target.

He said New Zealand had made little progress in exporting since the days of the previous Labour government in the early 1970s, and was still yearning for the trade days of the 1950s.

"Since we came to terms with the Common Market not much was done in New Zealand until Joe Walding came along and we got China and the Middle East (as markets)," he said.

"Now there are no new Chinas, no new Middle Easts and our mission is to diversify our products as successfully as the last Labour government diversified the destinations."

## Vital

He said that experience in the Australian market was vital for New Zealand businessmen, and the two economies would increasingly come to regard each other as domestic markets under CER.

"What we're coming together to do is to mesh our economies as much as we can and then together and individually step up into the Asian world and the Pacific Basin," he said. "I can see our Tasman

markets becoming more domestic and sensible rationalisations to the benefit of both."

He said competition would increase in some areas as traditional markets shrink for both countries, but that was not a bad thing.

Mr Moore reaffirmed the commitment to CER and said that while the time frame for its introduction was sensible there was the "odd speed wobble" involving some issues such as car and steel imports from Australia and trans-Tasman investments.

The minister has already met his Australian federal counterpart Lionel Bowen to discuss problem areas including investment, and has held talks with the New South Wales premier Neville Wran.

He said better working relations between the two Labour governments had already started, as shown by the lifting of the ban on Australian investment in New Zealand, while the dual questions of New Zealand investment here and a licence for the National Bank were expected to follow.

Mr Moore has moved to ease fears among New South Wales manufacturers, about the impact of New Zealand imports, but told them they could still expect plenty of competition from across the Tasman.

"Australia is our most important single area for manufactured exports. More of our people are employed because of that than our great primary industries," he said. "It's a growth area for us. We're doing well and going to do better."



INDUSTRIALIST, MINISTER DIFFER OVER TALKS WITH AUSTRALIA

Auckland THE NEW ZEALAND HERALD in English 13 Aug 84 p 3

[Text] The Minister of Overseas Trade and Marketing, Mr Moore, and an Auckland industrialist, Mr Tom Clark, differ in their views of talks last week with the Australian federal Treasurer, Mr Keating, on trans-Tasman investment.

Mr Moore, who returned at the weekend after leading a business delegation to Australia, said Mr Keating had assured him Australia would lift its restrictions on New Zealand investment.

Further, said Mr Moore, the issue could be considered by the Hawke cabinet in about a month, and New Zealand was likely to get "favoured nation" status--better than that of Japan or the United States.

But Mr Clark, the managing director of Ceramco and a member of the delegation, said: "I think Mr Moore is taking more out of what Mr Keating said than I did."

Mr Clark said he was confident the restrictions would end, but no unequivocal promise was made and Mr Keating had been "careful, like all politicians, to hedge his bets and not give time limits."

In June last year, the then Prime Minister, Sir Robert Muldoon, banned Australian investment in New Zealand after Mr Keating refused to alter restrictions which stopped New Zealand firms having the same investment opportunities in Australia as Australian firms had in this country.

Attitude Contrary

Sir Robert said Australia's attitude was contrary to the spirit of the closer economic relations agreement.

Two weeks ago, the Lange Administration lifted the restrictions, saying proposals would soon go before the Australian cabinet and Mr Keating believed they could solve the wrangle.

In Auckland yesterday, Mr Moore said Mr Keating had assured him, both privately and in front of the business delegation, that the restrictions would soon end.

"Our decision to allow investment was well received, and cleared the black-board from our end," Mr Moore said.

"I am sure we will get a favoured-nation status, better than Japan or the United States. It will have to go to their cabinet, which has a lag of a month or so."

#### Assurance

Mr Keating had given an assurance that the restrictions would end: "The openness of the Australians was excellent."

Mr Clark said yesterday that Mr Keating had been "very supportive and sympathetic" to New Zealand on the investment issue, but that further talks were needed to solve the problem.

"I think Mike [Moore] and he were on the same wavelength," said Mr Clark. "I was very confident the restrictions would be lifted, but Mr Keating made no unequivocal statement."

It was a matter of reading the signals, said Mr Clark. Mr Keating felt the restrictions would end, but set no time limit.

CSO: 4200/1024

USSR CARGO SHIP DELIVERS AUTOS, DEPARTS WITH LIGHT LOAD

Harbor Official 'Optimistic'

Auckland THE NEW ZEALAND HERALD in English 15 Aug 84 p 11

[Text]

NZPA Wellington

The first Soviet cargo ship to visit Wellington for about 15 months arrived on Monday with a consignment of four-wheel-drive vehicles, but left only a quarter full.

The 18,000-tonne Georgiy Pyasetskiy took on containers of wool in Wellington and will pick up cargo in Bluff.

The Soviet Ambassador, Mr Vladimir Bykov, said he hoped the ship could be filled on its next visit.

"If your businessmen will show more interest in the advanced technology of the Soviet Union, our captain will not complain — as he did — that he was leaving this country only a quarter

full," Mr Bykov told an official welcome for the crew put on by the Wellington Harbour Board on Monday.

"I think this visit will give new impetus for trade co-operation and friendship between our countries," Mr Bykov said in his first public engagement since he came to New Zealand two months ago.

The chairman of the harbour board, Mr John King, was optimistic about future trading between New Zealand and the USSR.

He said the harbour board hoped that friendship between the two countries would grow. "May this be the start of a long and important relationship."

## Resumption in Wellington Visits

Wellington THE EVENING POST in English 13 Aug 84 p 15

[Text]

The arrival of the Soviet roll-on roll-off ship Georgiy Pyasetskiy in Wellington this morning is only the second visit to the Capital by a Soviet cargo vessel in 15 months.

The 18,000 tonne ship is bringing 232 Lada vehicles for the local and Pacific markets and will be loading general cargo for export to the Soviet Union.

Soviet imports have mostly been unloaded at ports such as Auckland, Napier, Lyttelton and Bluff.

The general manager of Avto Imports, Mr John Hebron, whose company distribute Ladas, said the resumption of Soviet trade through Wellington will have great benefit for the port and the region.

He is also pleased in that it enables Avto to centralise their operation in Wellington and make use of a massive bond store the company has in Seaview.

The Georgiy Pyasetskiy is expected to stay in port for 24 hours. The Baltic Shipping Line-run ship will thereafter become a regular caller to the Capital.

The Wellington Harbour Board, along with Avto, the USSR Trade Office, and the Lada factory in the Soviet Union, principal organisers of the resumption in trade through Wellington, are holding a function to mark the ship's visit. The newly arrived Russian ambassador, Mr Vladimir Bykov will be attending his first public engagement.

CSO: 4200/1024

## EXPORT INCENTIVES RELY UPON JULY DEVALUATION

Christchurch THE PRESS in English 16 Aug 84 pp 1, 8

[Article by Michael Hannah]

[Text]

An export incentive package which the Government considers will create new investment and jobs in tourism, added-value export industries, and import substitution industries, was unveiled yesterday.

The package demonstrated that the Government is relying on last month's 20 per cent devaluation as its biggest incentive to export industries.

It also set out a timetable for the phasing out of existing performance-based incentives in line with an Australian timetable, but left open to further negotiation the setting of market development incentives.

It confirmed the removal of the supplementary minimum price scheme for farmers after lump sum payments have been made for the 1984-85 season. As reported earlier this week, the lump sum payment is expected to cover only S.M.P.s on mutton, at present estimated to amount to \$15 million.

The package was released by the Minister of Finance, Mr Douglas, and the Minister of Trade and Industry, Mr Caygill, yesterday afternoon.

Specifically, the Government has decided to:

- Extend performance-based incentives for all destinations, with a phase-out between 1985 and 1987, in accordance with the Closer Economic Relations agree-

ment with Australia. Legislation will be introduced this year to implement the measure, which will reduce the value of the incentives 50 per cent from April 1, 1985; a further 25 per cent

from April 1, 1986; and eliminate them from April 1, 1987.

- Terminate from March 31, 1985, the Rural Export Suspensory Loan and the Dairy Export Suspensory Loan Scheme, because of the very low interest. The Export Suspensory Loan scheme will also be terminated from that date, although present loans will run their full terms.

- Increase 25 per cent all import licences where they are denominated by value. Mr Caygill said that this involved most licences and would maintain access for import volumes at pre-devaluation levels.

- Increase import licences where the proportion of imports to the total New Zealand market for a commodity is less than 10 per cent. This would allow imports to take up to 10 per

cent of the New Zealand market, except in industries covered by industry development plans, and represents a change from the previous Government's plan to move to tariffs.

- Agree that the next round of changes from licensing to import tariffs will be between 2½ per cent

and 5 per cent a year of the domestic market allocated by licence tender.

- Proceed with industry development plans according to previously arranged timetables, except in the case of the motor vehicle industry study, which is being reviewed by the new Government.

Mr Douglas said that these steps would be taken so as not to encourage resources shifting after the devaluation to industries which existed solely because of their protected status.

"It will reinforce the shift of resources to profitable productive sectors of the economy. I believe over the medium term it will increase employment opportunities within New Zealand," he said.

Along with fiscal policies yet to be taken and with monetary policies already in place, the package would increase revenue by an estimated \$150 million to \$200 million, and reduce Government spending \$300 million to \$400 million. This would assist the Government in its anti-inflationary drive, he said.

Messrs Douglas and Caygill said in a prepared statement that taxpayer subsidies to exporters and other industries cost about \$2000 million last year, and the National Government had been on course to spend over \$3500 million more

than its income; a record deficit.

The package was, Mr Douglas maintained, the best possible assistance exporters could have, as it would ensure New Zealand's inflation rate was not higher than inflation rates among its trading partners.

With these measures, and others still to be taken, there was no reason why inflation should move into double digits next year, in spite of the devaluation, Mr Douglas said.

Higher expectations of inflation by manufacturers and others in the commercial community, however, could work against this role, and the Government would not accommodate such an attitude, he warned.

Mr Douglas maintained that businesses had been profitable in the last year and would continue to be profitable, and were therefore in a position to absorb some cost increases.

He believed that the incentive package announced yesterday would encourage investment in productive and profitable industries both by New Zealanders and overseas investors.

He had had a number of letters which indicated that overseas companies considering investment in the region now viewed New Zealand in a more favourable light than they had a month ago.

TEN UNIONS FORM NEW ORGANIZATION OUTSIDE OF FOL

Auckland THE NEW ZEALAND HERALD in English 17 Aug 84 p 1

[Text] A trade union organisation was formed in Wellington yesterday under the guidance of Mr Tony Neary, who, just a month ago, led his union out of the Federation of Labour.

The move was made by officials of 10 unions during a meeting with Mr Neary, the national secretary of the Electrical Workers' Union.

The meeting was called by him after the refusal of the Minister of Labour, Mr Rodger, to see the officials yesterday for discussions on wages policy.

It is expected that other unions may now want to join the organisation, possibly including some from within the FOL.

Mr Neary said after the meeting that the organisation was not considered by its members to be an alternative to the FOL.

Nevertheless the unions had agreed to meet as a group again, to confer regularly and to help each other with research on a wide range of industrial issues.

It is to be known as the Administrative, Technical, Professional, Semi-professional and Other Workers' Organisation.

It has not elected a leader but has left it to Mr Neary's initiative to call future meetings.

Mr Neary said that as well as his union the others which have joined the organisation are:

The Northern Local Government Officers' Union, the Wellington Local Government Officers' Union, the Airline Pilots' Association, the Merchant Service Guild, the Institute of Marine and Power Engineers, the Police Association, the Nurses' Union, the New Zealand Storemen's Federation and the Society of Technicians, Administrators, Managers and Supervisors.

The new organisation has sent a letter to Mr Rodger asking him for a meeting.

The minister cancelled yesterday's meeting on Wednesday in a telegram he sent to Mr Neary. He said he had done so because he had learned that the issues Mr Neary had wished to raise could be negotiated only with the FOL.

#### Unheard Of

However, Mr Neary said yesterday that the unions involved had reacted with strong feeling to Mr Rodger's decision and were not prepared to accept it.

"It is unheard of that groups outside the central organisations (like the FOL) cannot have access to the Government," Mr Neary said.

Mr Neary had intended to suggest that the union movement as a whole be allowed to take a case for a wage rise to the Arbitration Court.

He was to have proposed to Mr Rodger that an application for a 10 percent rise on the first \$300 earned a week be considered.

A member of the FOL executive and president of the Auckland Trades Council, Mr Bill Andersen, said last night that it was always desirable for workers to speak with one voice. That was why the FOL and the Combined State Unions were working towards forming a council of trade unions which would embrace all the private and state unions.

The secretary of the Police Association, Mr Bob Moodie, said there were groups of professional, semi-professional and ordinary workers who had no voice on some of the most important issues facing the country.

"It is nonsense for the FOL to purport to represent them."

The secretary of the Northern Local Government Officers' Union, Mr Ken Tuxford, said he believed the Minister of Labour had misunderstood what the group was about and he hoped that the minister would hear the group.

"About 20 percent of the workforce do not belong to the centralised groups and we hope Mr Rodger will change his mind."

The general secretary of the Merchant Service Guild, Captain Jack Dickinson, said there was a lot of merit in the formation of a "non-aligned industrial organisation."

#### Disenchanted

"Many groups do not find favour or are disenchanted with the policies and philosophies of the Federation of Labour," he said.

"This new body may provide a forum to put their views to the Government, outside the FOL and the employers."

The guild, which is not an FOL affiliate, has about 900 members.

A spokesman for the 30,000-strong Society of Technicians, Administrators, Managers and Supervisors said it was possible the new group could result in a powerful white-collar organisation representing thousands of New Zealanders.

CSO: 4200/1024



ANZUS 'CRUCIAL' TO PNG SAFETY

Auckland THE NEW ZEALAND HERALD in English 13 Aug 84 p 5

[Article by Tony Verdon]

[Text]

**Papua New Guinea could easily become the next major flashpoint in the Asia-Pacific area, threatening the stability of the region.**

It was with this possibility in mind that many of the 18 Commonwealth regional heads of Government or their representatives met in Port Moresby last week.

It is also one of the reasons that New Zealand's ban on visits by nuclear vessels attracted so much attention during the two days of high-powered discussions.

The issue thrust the most recently elected leader of a Commonwealth country, Mr Lange, into the centre of the talks.

But by quietly holding firmly to his Government's "no nuclear visit" stance, Mr Lange emerged from the gathering unscathed and with a surprising degree of support.

He is now ready to take a leading role when the nuclear question is discussed more fully at the South Pacific Forum meeting in Tuvalu at the end of the month.

**Approved**

There had been some suggestion before last week's meeting that the

Papua New Guinea Government's anti-nuclear stance could be softening.

But this was quashed when the host Prime Minister, Mr Somare, tacitly approved the New Zealand ban.

Mr Somare's support came in spite of the clear message the Australian Prime Minister, Mr Hawke, delivered to Mr Lange earlier — that he believed hosting visits by United States vessels was a responsibility under the Anzus alliance.

The alliance is likely to become crucial to Papua New Guinea's long-term survival as an independent country.

Those attending last week's meeting could not help but run into the twin fears of those living in Port Moresby at least — fear for their personal safety, and for the security of their young and developing nation.

**Barbed Wire**

The personal safety aspect arises from the "rascal" problem — the thugs who survive by robbing anyone they can pounce upon. They are among the 80 per cent of the Port Moresby population without work.

Most of the houses in the city are surrounded by high, barbed-wire fences, and some residents electrify their windows to keep intruders out.

One New Zealander who tried to walk less than 40 metres one night last week from one building to another was stopped and warned of the rascal danger. He was then accompanied for the remaining 20 metres.

**Invasion**

Even a bus ride through the city was not without either sight or word of a violent episode which the

local police appeared unable to handle.

In one instance an Australian was attacked in the carpark of an international hotel, in broad daylight. The police came only when the manager told them an Australian cabinet minister had been attacked.

Local people learn to live with that threat, but they must also cope with the even more frightening broader security problems of Papua New Guinea.

In discussion, professionals and academics in Port Moresby predict an invasion by Indonesia and they make no secret of their fear and distrust of Indonesians.

### Supervision

Last week about 200 members of the local student population took part in a tense demonstration outside the Indonesian Embassy. At one stage the Indonesians felt they were under siege and had to be reassured by local police that it was safe for them to receive a protest note from the students.

The students were demonstrating against a refusal to allow United Nations supervision of the repatriation of thousands of West Irians.

More than 9000 West Irians have swarmed across the boarder into Papua New Guinea, citing ill-treatment by the Indonesian Army.

The two Governments reached agreement a fortnight ago on the repatriation of the refugees, but the students claim the Indonesians have intimidated the Papua New Guinea Administration.

### Well-armed

Indonesia is said to be moving thousands of people from its overcrowded central islands into West Irian Jaya. Large numbers of Indonesian troops are also stationed near the border.

While Mr Somare tries to contain the situation by retaining good diplomatic relations with Jakarta, the well-armed Indonesians are unlikely to make a move.

However, if Papua New Guinea politics become even more volatile, and an Opposition politician tries to exploit the local fears, Indonesia may be tempted to move.

Papua New Guinea would then look for help from its nearest neighbours, Australia and New Zealand. But without the aid of the United States their combined military might would provide little opposition to an Indonesian takeover.

ISRAELI PLANE PURCHASE REPORTED

Kuala Lumpur NEW STRAITS TIMES in English 16 Aug 84 p 11

[Text]

**PORT MORESBY, Wed.**  
— Papua New Guinea is buying three Israeli-made Arava military transport planes for US\$10 million (\$23 million) in order to improve the patrolling of its border with Indonesia, Prime Minister Michael Somare told Parliament.

He said the elderly DC3s now used could not land on short airstrips

and spares were difficult to obtain.

"The Government is buying these aircraft to upgrade substantially the country's capacity to patrol its border and to rapidly deploy troops in troubled areas," Mr Somare told Parliament last night.

The first Arava 201 is expected to be delivered within four months. —  
Reuter

CSO: 4200/1030

# PIMENTEL ON SUCCESSION, OPPOSITION ROLE IN BATASAN

Quezon City VERITAS in English 5-11 Aug 84 p 4

[Interview by Efren L. Danao with Aquilino Pimentel Jr., Batasan Assemblyman and Pilipino Democratic Party-Lakas ng Bayan head: "If Marcos Dies, the KBL Goes Pfftt!"]

[Text]

**P**OLITICS is addition and political power is best achieved through the sheer force of numbers.

The opposition in the Batasan now counts with 59 members, but how long can they remain 59 considering the persuasive power that President Marcos is bound to exert on them and considering his successful track record in winning people over to his side?

When the 1971 Constitutional Convention was convened, there were 175 anti-Marcos delegates out of a total 320. But because Mr. Marcos turned on the "charm," by the time the delegates adjourned in 1973, there were only 15 delegates who had not succumbed.

Aquilino "Nene" Pimentel Jr. was one of the 15 as he is one of the 59 oppositionists in the present Batasan. And he is convinced that Mr. Marcos will not lose any time in wooing his colleagues. That is why he believes that the people should not relax their vigilance, that they should continue supporting the good men they elected.

"Without public support, we in the Opposition cannot accomplish very much," he told *Veritas* in an exclusive interview. "Without public vigilance, there would be no deterrent to political opportunism and Mr. Marcos will succeed

in 'persuading' some opposition MPs to join the Kilusang Bagong Lipunan."

Pimentel also drew a possible post-Marcos scenario when he said: "Should Marcos die before the end of his term, the KBL will become fragmented with possibly a large number gravitating toward the opposition. I do not see any KBL leader who is charismatic enough to hold the diverse groups in the KBL together.

"This is natural in a dictatorship," Pimentel declared. "Dictators hate to provide for their successor for fear that they might be toppled by that successor.

"We will try not to fragment ourselves for the purposes of the '87 elections. It is possible that the various Opposition groups can put up a common candidate — that is not so far-fetched to imagine. But in the event that we will not be able to do so, I believe that the people will be able to decide for themselves which member of the opposition really represents the best interests of the people," he said.

Pimentel, the head of the Pilipino Democratic Party-Lakas ng Bayan (PDP-Laban), believes that the only way for the Opposition to remain effective in its task of dismantling the apparatus of repression and in restoring demo-

crazy is to "forge a working relationship with the parliament of the streets."

"Left to themselves, the parliament of the streets cannot accomplish much, in the same manner that left to ourselves, we also would be ineffective," he pointed out. "There is a need for the institutional parliament and the parliament of the streets to arrive at a *modus vivendi* so that the yearnings and aspirations of the people can be expressed in the Batasan. We want the people to give us direction by telling us what they want and we will articulate these inside the Batasan halls."

The support of the street parliamentarians makes Pimentel believe it is worthwhile for the Opposition to move for the repeal of Amendment No. 6 with reasonable hope of success. Even if some quarters express the view that any attempt to repeal the amendment would be frustrated because of the limited number of Opposition MPs, Pimentel is hopeful that something can be done.

**H**E said: "If we rely only on our members in the Batasan we will get nowhere. But if we are able to coordinate our efforts with the street parliamentarians and with other pressure groups, we could soften the attitude of the ruling party. Who knows, we might even be able to see a complete change in their perception of things and make them work with us for the welfare of the people."

The continued unity of the members of the coalesced opposition, of course, is also vital to the success of any fiscalization work. There are some doubts whether this unity can hold for long, considering that the oppositionists in the coalition belong to different persuasions and parties.

Pimentel does not share such apprehensions. He said he sees "no serious obstacles to unity in the coalition within the next few years and, hopefully, during the members' six-year term."

Neither does he believe that his celebrated political differences with MP Homobono Adaza (MA,

Mis. Or.) could create a cleavage in the opposition and affect their fiscalization work.

"Whatever political differences Mr. Adaza and I have can be ironed out. I have never quarrelled with him. Any arrangement between us can be arrived at if there is good faith and sincerity," he said.

Adaza and Pimentel are frequently seen talking to each other without any belligerence. Adaza told *Veritas* that they may have differences outside the Batasan but when they are inside the Batasan, these differences are all set aside.

The unity of the opposition can be greatly enhanced if there is only one opposition party. Pimentel, however, considers the formation of such a party "an impossible dream," not because of petty politics and personal ambitions but because of basic differences in party platforms.

"A merger of the different parties in the opposition will make PDP-Laban lose its identity and the platform it has been fighting for," he said, adding that a coalition is the best alternative.

He admitted that MP Eva Estrada-Kalaw had approached him for a formal coalition between their two groups to make their fiscalization work more effective.

"We are for closer cooperation with the Kalaw wing and we are amenable to the drafting of a coalition agreement for that purpose," Pimentel said.

**P**IMENTEL is often mentioned as a probable candidate for the presidency in 1987. While he neither denied nor affirmed such plans to *Veritas*, he said that he would take first things first, the presidential elections being still three years away.

"First, we have to impress upon the people that we are really speaking for them here in the Batasan. Then, we have to put up a good fight in the 1986 local elections. If we can't, then there will be no '87 to speak of," he said.

He told *Veritas* that PDP-Laban has 60,000 members, "ma-

king it the biggest party outside of the KBL."

"Our target now is to establish a chapter in every barangay in time for the '86 election. We will not accept just any party applicant though. Applicants should undergo a seminar first and fulfill all basic requirements of the party before they are accepted," he said.

Several other Opposition leaders are known to be nursing presidential ambitions but Pimentel downplayed their possible divisive effect.

Pimentel talks slowly, as if measuring his words. Behind the calm exterior, however, lurks a temper that can be explosive and a spirit that is definitely combative. Others even describe his attitude toward the ruling party and the government as confrontational.

During the discussions of the Batasan ad hoc committee on rules of which he was a member, he called on the Opposition panel to disengage itself from the "useless exercise." He was overruled, but he absented himself from succeeding discussions.

He also absented himself from the Batasan last July 23 when the President delivered his state of the nation address. The opening day was merely ceremonial but he found no need for such ceremonies.

Pimentel told *Veritas*: "I noticed that during the morning session, the people were not allowed to come near and witness the opening of their Batasan. And yet, this is supposed to be the law-making body of the people. If they are not allowed to see the proceedings, how can the Batasan be relevant to the aspirations of the people? Thus, I preferred to join the demonstration at the Liwasang Bonifacio than to be at the Batasan to hear the President's speech. I don't believe I missed anything.

**H**E doesn't want to describe his brand of politics as confrontational, however.

"I believe that the people must stand up and be counted in the fight to regain the rights and freedoms they lost under martial law. It will not do us any good just to wait for Mr. Marcos to hand over

those rights and freedoms to us. We have to assert our rights. Maybe, in articulating our desire to be free, we offend those in power, and the element of apparent confrontation arises," he told *Veritas*.

His fighting spirit was honed by three stints in various military detention centers and he does not seem cowed by the prospects of being sent to a fourth one. He was picked up for the first time in 1973 after the declaration of martial law for alleged subversion and was detained for almost three months.

He was again detained in 1978 when he and other LABAN candidates in that year's Batasan elections, including their supporters, staged a protest march against election fraud and terrorism. He was detained for about two months that time.

His last arrest was in April 1983 when he was picked up on a charge of rebellion. He stayed in jail from April to July 1983 when he was placed under house arrest. He said he still doesn't know what his present status is.

After his stint in the Constitutional Convention, Pimentel tried his hand in politics anew in 1980, running for mayor in Cagayan de Oro City under the Mindanao Alliance party founded by Adaza. After that victory, he broke away from Adaza's camp and joined the PDP-Laban which he now heads. He ran under his new party for the Batasan election last May 14.

He sees much hope for the country in the presence of the determined opposition in the Batasan.

"We may not be able to see the flowering of justice, freedom, and democracy during our time but as long as these are realized later on, partly or mainly because of what we did, we believe that we have fulfilled our job," he said.

And what if the sought-for freedom cannot be achieved through peaceful means?

"I doubt very much if there could be a major restoration of confidence in democratic processes outside of the Batasan. But if peaceful means are no longer possible, the PDP-Laban will dissolve itself and the people will have to look to other persons to lead them," he said.

## COLUMNIST CRITICIZES VIRATA, CITES NAZI ERA EXAMPLE

Quezon City VERITAS in English 5-11 Aug 84 p 6

[Article by Salvador P. Lopez "In the Light of Truth": "There Was Once a Man Named Hjalmar Schacht"]

[Text]

**F**ROM the lead article entitled, "Virata Discusses First Quarter Performance," in the June 1984 issue of *Philippine Record*, monthly publication of the Central Bank of the Philippines, we reproduce the following excerpts:

"At the recent annual meeting in Amsterdam of the governors of the Asian Development Bank, Prime Minister Cesar Virata outlined the fiscal, monetary and external targets that the Philippine Government has established in conjunction with the standby credit line and debt rescheduling being negotiated with the International Monetary Fund and the Philippines' commercial-bank creditors, respectively.

"The Prime Minister, who is concurrently Minister of Finance, stated that the Philippine Government plans to effect drastic cuts in public spending and imports. . .

"Mr. Virata told the ADB governors that the Philippines would seek to cut its current-account deficit from the equivalent of eight per cent of its gross national product in 1983 to less than five per cent of GNP in 1984 and to a possible three per cent in 1985. . .

"Tight domestic credit reinforced by contractionary fiscal action were calculated to bring the budget deficit down from 1.7 per cent of GNP last year to 1.5 per cent of GNP in 1984 and to 1.0 per cent of GNP in 1985. These measures include the increase in the statutory reserve against bank deposits from 23 per cent to 24 per cent and an additional three per cent duty on imports.

"The Prime Minister said that the growth of the Philippine external debt,

which totalled close to \$25 billion at the end of 1983, was held down to 1.0 per cent of the 1984 rate in the first two months of 1984. . .

"Mr. Virata said that, with these targets, the appropriate economic measures that have been taken and the support of the international financial community, the Philippine Government was confident of the restoration of the Philippine economy to the path of self-sustaining growth. . .

"The Prime Minister ended by saying that the Philippine Government is in close consultation with the creditors of the Philippines in an effort to reach the sort of understanding that will make possible the development of a viable solution of its economic problem. . ."

That, the reader will recognize at once, is vintage Virata, pure and unalloyed. The national economic and financial crisis (thought by many to be unprecedentedly severe) is disposed of in seven short paragraphs with the unflappable optimism that has become the special trade-mark of Prime Minister Virata. There's never a hint that things could go wrong or that the situation would get worse before it gets better. He is asking our creditors to please be reasonable and agree to provide the assistance he is begging for — because, after all, the regime is really going to tighten its belt, this time.

After talking to the bankers, Mr. Virata should turn around and start telling us what the real score is. Because, after saying that the government plans "to effect drastic cuts in public spending and

imports" and that it would be necessary to tighten domestic credit, reduce the budget deficit, increase import duties, etc., he should candidly tell us what such measures would do to our living costs and living standards, in particular, the basic needs as well as the health, education and welfare of our suffering people.

In the past, Mr. Virata always seemed so busy negotiating loans (in his capacity as Finance Minister) that he hardly had any time left to bother about how the money was being spent, and so inform the people — this being his responsibility as Prime Minister. If, through no fault of his own, he has been unable to function in this two-fold capacity, then he should ask to be relieved of his duties as Prime Minister so that he can concentrate on the job he knows best and seems to like best, which is to secure new and ever larger loans or to reschedule old ones.

If this is what he would rather do, then by all means he should not continue in the equivocal position of appearing to have a hand in deciding how the loan proceeds are spent — when he hasn't. For, as Prime Minister, his share of responsibility for the use or misuse of public funds is quite clear. It would not do to say, "My job was to obtain the loans; I had nothing to do with the way the money was spent." Or, "I gave advice, but it wasn't taken." A minister whose advice is not taken soon refrains from giving any advice whatever. To stay under such conditions would be morally reprehensible.

As is well known, President Marcos is not too happy with the oft-heard descrip-

tion of Mr. Virata as "the only honest man in government." For this affront, he would gladly dismiss Mr. Virata if he could. But he sorely needs those loans, and Virata happens to have the kind of face that bankers trust — a face that has launched a hundred loans and is good for at least another hundred.

Meanwhile, Mr. Virata has caught the political virus and apparently believes that continuing as Prime Minister is the surest way to stay in line of succession.

But it isn't. As Prime Minister and Finance Minister of the Marcos regime, he must bear his share of responsibility for the most disastrous economic and political debacle in our country's history. He should find a way to be relieved of this intolerable burden.

\* \* \*

In the 1930s Hjalmar Schacht, perhaps the most capable economist of the period, served as Adolf Hitler's minister for economic affairs and president of the Reichsbank. In 1936, as a result of a dispute with Hermann Goering, who had become the dictator of the German economy, Schacht resigned as minister of economics. Three years later, because he was strongly opposed to Hitler's rearmament program, Schacht also resigned as Reichsbank president. His last link with the Nazi regime was broken.

Charged after the war before the Nuremberg War Crimes Tribunal, Schacht was acquitted. He subsequently founded his own bank in Dusseldorf and served as financial adviser to various governments. He died in 1970, at the age of 93.



KBL ATTEMPT 'TO REDUCE MORAL AUTHORITY OF VIRATA' IN BATASAN

Quezon City VERITAS in English 5-11 Aug 84 p 11

[Article by Luis D. Beltran in the "Straight From the Shoulder" column: "The Batasan 'Moro-Moro'"]

[Text]

**Y**OU think the art of zarzuela is extinct? Take a look at all the drama that Malacañang put up for the election of Assemblyman Cesar Virata as Prime Minister. First there was this huge build-up in the press about Opposition plans to block Virata's election. The funny thing was that nobody in the Opposition said anything. It was the Crony Press retailing the alleged scenario to block Virata. The next day, it was an "all-out" battle declared by the KBL to get Virata elected "on orders of the President" himself. What was the point of the whole "Moro-Moro"? To reduce the moral authority of Virata by emphasizing that he is a creature of Malacañang and that he wouldn't be there if it weren't for the President and the KBL. And who were the floor directors of the whole zarzuela? The same two Cabinet Ministers whom Malacañang sent to Virata before the May elections, telling him not to run. That's how insecure they are about Virata, who, one of these days may just realize that he is now a freely elected MP — and he can now reveal to the Filipinos what happened to all the billion peso loans — particularly the short term loans which were guaranteed by the Philippine Guaranty Corporation, of which Virata is the nominal chairman. Maybe it's time for Virata and the technocrats to explain how even Technocracy can not prevail against Crony Capitalism.

Early this week, KBL Assemblymen who are committee chairmen on the Batasan were herded to the University of

Life, where they were coached by UL consultants on how to defend their turf against possible attack by the Opposition. A few days before that Opposition MPs were briefed by professors in the UP School of Economics on specific areas of disastrous government spending as well as the general state of the economy. Whatever the outcome is, it's a relief to know that our politicians are now studying. Hopefully, in this Batasan, nobody will file a bill to outlaw typhoons or to repeal the law of supply and demand.

\* \* \*

As soon as the horrendously bloated P67.5-billion budget is presented on the floor for discussion, may we suggest that Opposition MPs ask the administration for the following things:

1. A list of the borrowers of loans of over P1-Million from the GSIS, the SSS, the DBP, the PNB — and more important, loans granted by their subsidiary corporations, many of which do not undergo COA audit. The list may read like a Malacañang anniversary guest list. It might also be instructive to know what the status of these loans are right now, and whether many of the corporations which borrowed were organized and registered only a month or so before loan applications were filed.

2. A list of all KKK loans of over P1-million, plus a status report on the projects funded by these loans. There are a lot of KBL assemblymen who are curious as to what the KKK will report about projects in their districts — since they know for a

fact that many of these projects have existed so far only on paper.

3. A list of all private corporations in which government corporations or their subsidiary agencies or attached agencies have invested government funds in the form of equity. A public listing of the stockholders of these corporations should quickly uncover unholy or illegal relationships.

4. A list of short-term loans guaranteed by the Philippines Guarantee Corporation on behalf of the Republic, particularly loans acquired from private commercial banks in Europe and the United States. One such loan was discussed openly in a Cabinet meeting and branded as "illegal, immoral and unconstitutional" by one Cabinet Minister. But that's only one.

5. A list of all the forest and logging concessions awarded by the Bureau of Forest Development over the last five years.

All the MPs have to do is force the government agencies to make these lists public and the people and the alternative press will do the rest.

A lot of people were confused by the speech delivered by the President at the inauguration of the Iglesia ni Kristo temple. Mr. Marcos attacked churchmen who use their pulpit for politics, yet said almost in the same breath that he was grateful to the INK for having supported him in all past elections. He then said that the separation of Church and State is inviolable. Perhaps the President should have been more specific. Has any Church

violated this dictum by pressuring Marcos to appoint a member to the Intermediate Appellate Court? Has any Church pressured Marcos to reinstate a member to the judiciary after that member had been removed for immorality? Has any Church influenced Mr. Marcos to appoint or assign Church members to important civilian or military posts? If the President can point out any such specific instances, then he has a case against Churchmen using religion for political gain. As for using the pulpit to attack the government, the priests probably would prefer doing it at Mendiola, but it's difficult to run from tear-gas in your soutane.

Since the President is now conducting his own Crusades, might I add this little verse from ISAIAH 10:1:

"Woe unto them that decree unrighteous decrees, and that write grievousness which they have prescribed. To turn aside the needy from judgement, and to take away the right from the poor of my people, that widows may be their prey and that they may rob the fatherless! And what will ye do in the day of visitation and in the desolation which shall come from afar? to whom will ye flee for help? and where will ye leave your glory?"

That little verse is going to last a lot longer than Amendment Six.

QUOTE OF THE MONTH: "Do not let our people suffer because of me"

At least he knows the people are suffering because of him.

Sorry, Sir, but I couldn't resist that one.

BUSINESS SECTOR PROTESTS VIRATA, EXERCISES INDEPENDENCE

Makati MR. & MS. in English No 48, 10 Aug 84 pp 26-28

[Article by Dennis M. Arroyo: "Business Flexes Its Political Muscles"]

[Text]

**N**OW that Cesar E.A. Virata has been reelected to his second term as prime minister, it is unsurprising to hear businessmen howl loudly in protest. As some put it, the matter is simply one of trust — the lack of it, rather — regarding the man's economic policies. UNIDO secretary-general Rene Espina amplifies the view asserting, "We believe that if there is any sector that is sincere in wanting our economy to stabilize, it is the private businessmen." Ironically, the vanguards of commerce and industry at one time had given MP Virata a fair rating. An Econotec survey revealed that 58% of the businessmen questioned evaluated the administration's economic management as average. And in fact, a full 47% considered the prime minister's performance as good, with 43% claiming an average rating. Reason? The survey was taken a month before Aug. 21, 1983.

The view of course has turned about-face with the onset of crisis. Faced with the spectre of economic danger, business has lost no time in creating and seizing its political opportunity. To a certain degree, commercial competitors have

played down their differences in an effort to help lift the economy out of the present morass. Recent developments alone highlight the trend as evident.

In the financial arena alone, the Bankers' Association of the Philippines (BAP) has shown greater initiative and independence. For one, the BAP has decided to submit to the Central Bank detailed suggestions on how to strengthen public confidence in the financial system. Even before the Banco Filipino debacle, the BAP already had been busy setting up its own liquidity pool to meet the needs of distressed companies. So far, the union has raised P403 million, an amount relatively near the target P500 million. It is significant to note that the shortfall is due to a large extent to the foreign banks who refuse to contribute to the fund. These multinationals are now coasting on new deposits created by the runs on their Filipino financial counterparts.

Another similar development is the creation of the Council of Financial Associations (COFA) now headed by Jesus P. Estanislao. COFA will assist Batasan assemblymen in studying or examining

banking issues. Its members will channel their research through position papers, hearings, press releases and the like.

More pivotal and more extensive in scope is the establishment of a think-tank consortium involving eight business organizations. The consortium will provide assemblymen with files of data, mostly economic in nature. Needless to say, the information pool will be most appreciated by those who have been provided only less than independent facts and figures. Solon Neptali Gonzales of Mandaluyong/San Juan remarks that obtaining data from the ministries is difficult because "their motives are understandably under suspicion." Think-tank head Vicente Paterno adds that "It is very difficult to expect that a minister will give you information that casts doubt on the effectiveness of his own ministry."

Assemblyman Jose Conrado Benitez jumps a step ahead and suggests that the business group formalize their mechanisms into a "council of economic advisers". This calls to mind the Congress Economic Planning Office of the pre-martial law past.

As of press time, the think-tank has not been fully organized. For now the body is divided into a chain of "shadow committees" which parallel the Batasan's own committees. Furthermore, the information pool is open to all legislators, whether KBL or Opposition.

The reemerging business clout is the crest of the new wave breaking through past conservatism. Paterno who also heads the Philippine Economics Society (PES) insists on the reality of a crisis-ignited altruism in the commercial sector. "The seriousness of the

situation at the present times is such that I think there's a willingness to submerge individual interests for the common good," he says.

It must be recognized, still, that a long-delayed indignation is the other major impetus. The businessmen have much reason to gripe.

Essentially such anger falls on the people behind an economy which has tightened credit, shrunk investment, shot up factor prices, scared away capital, repelled bank deposits, pampered foreigners, flooded liquidity and played around with public funds. The result is that by and large profitability is no longer the concern of the private sector; survival is. The Philippine Chamber of Commerce and Industry sums up the situation: "Many businesses are functioning essentially on a day-to-day basis."

Then there is the matter of state capitalism, sometimes less elegantly worded as "crony favoritism". Defined by John Doherty S.J. it is the rise of some to power which seems "to be related to their connections with the First Couple" and refers to those who "accumulated their fortunes under martial law". Crony capitalism is given full treatment in Doherty's *Interlocking Directorates* as well as in the anonymously published work *Some are Smarter Than Others*.

Figures reveal the magnitude of the problem. From 1970 to 1976, capital outlays by the national government were channeled mostly to infrastructure, as is normal. On the average, infrastructure equities amounted to 50.2% of total state equities. Corporate equity and other capital outlays ate up 49.2%. Then in the span 1977 to 1980, the rate for the latter was 54.5%. Lately, from 1981 to 1983, the figure leaped to 63.7%. For a gov-

ernment that prides itself with upholding free enterprise, this is unusual.

The businessmen have tried to dialog with the chief executive, but such attempts have at times created even more friction. "Helpless" was the word used by Victor Barrios when he described how businessmen feel after their conference with the President last November. A vice-president of a commercial bank who refused to be identified also said that "The conference leaders were really just in a conciliatory stance. What we got was a threat."

The President for his part countered his critics with: "If the government was at fault, the government was deceived by businessmen who are supposed to be honest."

Still, the businessmen maintained their stand calling for presidential succession, free media, an independent judiciary, restoration of constitutional rights and others. They stressed the link between politics and economics and declared that the problem was basically political. Bernardo Villegas of the Center for Research and Communications (CRC) used strong language to defend the belief.

"Until we put our political house in order, we can't expect to solve our economic problems. President Marcos is motivated only by one force: to stay in power. We have to pressure him into what we want the country to be."

Among the more (politically) active groups in the private sector is the Makati Business Club. In fact it has been largely responsible for the barrage of rallies within the Ayala circuit, and is continuing its work now through more moderate venues.

Its primary focus has been the Batasang Pambansa elections.

The MBC conducted an elections expectations survey last April, and its tabulations showed that businessmen did not think the Batasan could function as an effective and responsive legislative body. The Makati respondents also thought that the May exercise could not be as clean, free and orderly as they had wished. They were split on the question as to whether or not disorder would follow after unfair elections. The general opinion also was that the boycott movement could seriously threaten the chances of Opposition candidates. And an evident conjecture was that a loan restructuring would take place soon after the elections.

Another political salvo fired by the MBC was the launching of a multi-phased program following its second plenary conference. The program's goals were to provide timely information on the national situation, to promote vigilance among the people, and to encourage other organizations to join hands with the club for the purpose of exchanging developments. The MBC summarized the plenary platform into a booklet designed for wide distribution. Ten thousand copies of the booklet were put into circulation immediately after printing. Readers who agreed with the outlined political and economic reforms were encouraged to present their views to their Batasan members.

The MBC agenda included among others the repeal of Amendment 6, and of presidential decrees 1834, 1835, 1836, 1877 and 1877-A. It also called for legislative controls regarding the imposition of martial law and the lifting of the writ of habeas corpus. The businessmen further proposed decentralization of decision-making powers, in-

creased levels of government accountability, and the reorientation of the Philippines' development strategy.

Regarding public vigilance, MBC members have designed a campaign meant to exert pressure on legislators. This Batasan Monitor Project strives to watch the development of key bills, scrutinize their authorship and sponsorship, and keep the voting records of assemblymen with respect to these bills. Information regarding these aspects will be published in each assemblyman's constituencies. In exchange for Batasan monitoring service, provincial civic groups are asked to monitor likewise the national government's performance in the rural areas. Forty organizations have signed up for the task force so far. These aggregates range from student councils to large corporations.

A third part of the campaign is to initiate a speakers' bureau tour of key cities. The aim behind this is to provide situational reports on the political and economic fields, as well as to encourage the exchange of ideas. The bureau began its job when the members visited Zamboanga last March and spoke before the socio-civic leaders there.

The general objective of the program is summed up in the message found on the cover of the booklet *Let Our Voices Be Heard*: "For a change, let us tell the politicians what to do." However, to some amusement, the words of the MBC publication bear a tone reminiscent of teen-age idealism:

"The voice of the people is a most compelling force. It preserves order. It presages change. It indicates direction . . . We believe the time has come for the Filipino citizen to once more find his voice, to take pride in its hale

and hearty resonance . . . So let the silence of the past be nothing more than an unpleasant memory. Let the inequities of the present be consigned to the dust heap of the recent past. Let the will of the people be king once more."

The campaign is not unprecedented. Even before the deepening of the crisis, in fact a year before the fated Aug. 21, the MBC members sat together in the Development Issues Forum and studied the topic of Philippine growth. The product of their cerebral toil was the publication, *Issues and Prescriptions 1982*, the working document for the first plenary conference. The research traced the causes of problems in poverty and unemployment, communications, security and political economy. It then prescribed solutions to the mess on a case to case basis.

On the matter of unemployment, the paper suggested among others the development of "new growth labor-intensive industries", the establishment of labor-utilization incentives, and the promotion of livelihood projects. Regarding poor land utilization, the document proposed the acceleration and close monitoring of land reform programs, the simplification of the transfer of land titles, and the encouragement of the merger of contiguous landholdings into cooperatives.

Prescriptions for communications development did prove to be relevant in these days of media repression. They included the diffusion of ownership of media enterprises, the reorientation of ownership control, and the promotion of small media endeavors. For relevance in communication content, the working paper recom-

mended that needy sectors be involved in research, planning and implementation.

The more interesting prescriptions were in the section concerning Philippine political economy. The Makati Business Club suggested the implementation of an economic and social program based on development imperatives "rather than narrow political ends". The members recommended also the development of a core of apolitical professionals to oversee the said economic program. They wanted neutral technocrats in top decision-making bodies who would also assist in the drafting of Filipino economic and social philosophies.

The complete roster of resolutions was submitted to President Marcos under the title "Policy Suggestions for Regional Development".

MBC members have also been sponsoring monthly dialogs with experts and authorities on specialized topics. They included such fare as the state's five-year development plan (Placido Mapa), unibanking (Armand Fabella) energy requirements (Geronimo Velasco) and industrialization (Vicente Paterno).

Benguet bedrock Jaime Ongpin explains well the logical rationale behind the upsurge of business' political clout. He thinks that it is to a substantial degree a matter of

guilt.

"I submit that we got here (in the economic mess) because of two fundamental reasons, and only two. The first is that Mr. Marcos led us here. And the second is that we followed him here. It is easy enough to blame Mr. Marcos for all our present problems . . . But most of us, especially those of us in business, preferred to mind our own business as long as he left us alone."

Vicente Paterno for his part holds that the trend transcends parochial concerns. "We want to go beyond criticism to some concrete suggestions formulated outside the narrow interest of our members," he asserts. Others like Vicente Jayme take a more pragmatic approach towards public concerns. "I think it will be a very grave mistake (to think) that the economic crisis can be solved without at the same time addressing some of the political issues which many businessmen in the community feel have a very serious impact on the economic situation in the Philippines."

Whatever the motivations, whatever the ratios of altruism and self-preservation, it is a foregone conclusion that the bigwigs of business are intent on making their presence felt in the political theatre. Whether or not this influence will lead to the alteration of polarities of power remains to be seen. M M

## CHRISTIAN SOCIAL MOVEMENT LAUDS, CRITICIZES BOSWORTH STATEMENT

Quezon City ANG PAHAYAGANG MALAYA in English 7 Aug 84 pp 1, 6

[Text]

The Christian Social Movement (CSM) headed by former Sen. Raul Manglapus has cited United States Ambassador Stephen Bosworth for his honesty in "telling the truth about US foreign policy."

The CSM was apparently referring to press reports (Malaya, Aug. 4, 1984) quoting Bosworth as saying that the United States will deal with any government in the Philippines as long as it is in America's interest to do so.

Speaking through its secretary general, lawyer Ramon A. Tagle Jr., the CSM congratulated the American ambassador "for not hiding behind diplomatic jargons and niceties, in admitting that America always works on the basis of self-interest, not altruistic concern for any nation."

"Even in the matter of

so-called US aid to developing countries, the United States acts for self-interests, not really the interest of the recipient country. Let no one believe otherwise!" the CSM said.

The ambassador was quoted as saying that the US will deal with any Philippine government if it were in its interests to do so, although "it would prefer to deal with a government that adheres to the general principles of democracy and democratic institutions."

The CSM noted that Bosworth's statement was different from Vice-President George Bush's controversial statement two years ago when he toasted President Marcos for his "adherence to democratic principles."

The CSM said, however, it was "politically naive" of Bosworth to say that US economic assistance is extended to a country through its institutions and not to a regime.

"Ambassador Bosworth should know better that in a dictatorship, smiling or not,

the institutions of society and the person of the dictator have precisely been fused that it has become really impossible to distinguish one from the other!"

The CSM likewise deplored what it considered "veiled threats" in Bosworth's statement when he said that the US cannot (momentarily) foresee a circumstance when the US will have to intervene militarily in the Philippines and that, in granting economic assistance to the Philippines, the latter will have to remove so many regulations in its financial and economic structure.

This means, the CSM said, that "the US will intervene militarily when it becomes its interests to do so, and, with regard to economic assistance, the Ambassador was actually telling the Philippines to remove its tariffs to protect its infant industries — all under the doctrine of Free Trade which actually works to the detriment of poor countries like the Philippines."



ALLEGED CPP ARRESTS SEEN AS 'CRACKDOWN ON EDUCATION SECTOR'

Quezon City ANG PAHAYAGANG MALAYA in English 9 Aug 84 pp 1, 2

[Article by Joel Paredes and Erwin Tulfo]

[Text]

The arrest of another lady teacher hours after the abduction last Monday of Cynthia (Cha) Nolasco, an active member of the Alliance of Concerned Teachers (ACT) confirmed yesterday apprehensions that a military crackdown on the education sector has started.

Malaya gathered that the Regional Security Unit (RSU), formerly the Constabulary Security Unit, is behind the arrest of Milagros Aguilar-Roque, 32, immediately after Nolasco's apartment on Mayon street, Quezon City, was raided Monday afternoon.

Nolasco's family said Cynthia, 33, suffered injuries after she was dragged by RSU operatives out of a passenger jeepney on Cuenco and Apo streets in La Loma, Quezon City, before noon Monday.

The military allegedly refused to allow immediate members of the two teachers' families to visit them in solitary confinement. They also were reportedly denied their right of a lawyer.

Col. Jesus Altuna, Constabulary intelligence chief, said they arrested Roque after receiving "intelligence reports"

that she is "a ranking member" of the outlawed Communist Party of the Philippines (CPP).

The military also claimed it was hunting Roque, who it said had a P100,000 price on her head, for alleged involvement in the Andrea-Karagatan arms smuggling case in 1971.

The lady teacher, allegedly a member of the Kabataang Makabayan (KM) and the Malayang Kilusan ng mga Kabataang Pilipina (MAKIBAKA) in the early 70s, was reportedly married to the Magtanggol Roque who was killed by PC troopers on June 10, 1981 in Davao City on suspicion that he was a dissident.

The two teachers' colleagues expressed surprise at the military's allegations. They said Cynthia is a leading advocate of Christian education being the directress

of the St. Joseph's College's extension services and that Milagros is her deputy.

Quezon City Regional Trial Court Executive Judge Hernani Cruz-Pano issued the warrant for the arrest of Milagros.

The two teachers are now detained at Camp Crame together with Cynthia's houseboy, William Tolentino, who was picked up when raiders chanced upon him at the apartment after the lawmen seized Cynthia's belongings.

Col. Altuna said the raiders seized documents which he said include a memorandum from the executive committee of the CPP central committee revealing plans to establish the so-called Broad Legal Alliance (Malawak na Alyansang Legal) to accommodate "bourgeois reformists on politicized parties into the party's mainstream."

The seized document allegedly includes among their "political bloc" the United Nationalist Democratic Organization (Unido), Philippine Democratic Party-Lakas ng Bayan (PDP-Laban), Mindanao Alliance, Concerned Citizens Aggrupation, Pusyon Bisaya and the Social Democratic Party (SDP).

Col. Altuna said the Broad Legal Alliance identified the Nationalist Alliance for Justice, Freedom and Democracy (NAJFD) as its legal front.

As this developed, various teachers' organizations condemned the "brutal abduction" of the two teachers as a "part of a deliberate plan to instill fear among our members and cow us once more into silence, docility, and subservience in the face

of the acute economic crisis which government is unable to resolve."

In a gathering of teachers, Loretta Ann Rosales, ACT chairperson, said they were surprised over Cynthia's arrest since she was known for her academic concern for Christian values.

In a statement, ACT demanded the immediate release of the arrested teachers so "justice (would) be meted out."

"We assert our political rights and practice our responsibilities as concerned citizens. For this we are met with threats, harassment, and acts of violence," ACT said.

Cynthia's colleagues said she has been active in St. Joseph's which she attended from kindergarten until her graduation from college in 1972 as the school's first summa cum laude, majoring in English and Social Science.

George Tiburcio, acting chairman of Samahan, an alliance of teachers organizations at the school said Cynthia was instrumental in their gaining economic benefits, and that the latter had "very good relations" with the school administration.

Prof. Diego Quejada, said he succeeded Cynthia as executive secretary of the Education Forum, a project of the Task Force of Major Religious Superiors of the Philippines, which is concerned with religious education.

Sister Lulu Dulay, Education Forum vice chairman, said Cynthia, being a "committed young woman in Christian education," should not have been shamefully treated by the military.

"If this is what happens to use dedicated Christian educators what can we expect from the military?" Sister Lulu asked.

Another nun, Sister Mercedes Salud, dean of St. Joseph's College of Arts and Sciences, said the entire academe is behind Cynthia, "being one in the struggle to bring about justice, peace and freedom to our country."

Rene Romero, chairman of the State Colleges and Universities Faculty Alliance (Scufa), urged teachers to support the arrested teachers who are committed to genuine education.

Organized teachers are expected to hold a prayer rally on Aug. 14 at Plaza Roma fronting the offices of the Ministry of Education to protest the "apparent crackdown" against militant teachers.

ACT warned that unless the military releases the arrested teachers, they would "apply pressure," and that one of their options is general boycott of classes nationwide.

The Private Educators, Non-Teaching and Other University Personnel (PENT-UP) alliance urged the more than 450,000 teachers and school workers "not to let this terrorism perpetrated among our ranks cow us as we intensify our clamor and collective action and professing or witnessing to truth, freedom justice, and democracy in our country."

"Expose and oppose the true nature of the system of education we are called to be tools and victims of," George T. Fabros, PENT-UP chairman, said.

BILL FILED TO RESTRICT GRAIN TRADE TO 'NATURAL-BORN FILIPINOS'

Quezon City ANG PAHAYAGANG MALAYA in English 9 Aug 84 p 3

[Text]

A bill has been filed with the Batasan Pambansa seeking to restrict the trading of rice and corn in the hands of natural-born Filipino citizens.

Parliamentary Bill 92 was filed by Arturo Pacificador, re-elected assemblyman for Antique who ran under the KBL banner during the May 14 polls.

The bill is similar to Republic Act No. 3018 except that the prohibition against aliens applies only to retail trade and not to the production phase, Pacificador said.

Presidential Decree 194 which amended RA 3018 allows aliens to engage in the marketing and production of rice and corn.

The Antique assemblyman said that the

bill seeks to eliminate foreign manipulation in the supply and pricing of rice and corn.

He added that under the bill, aliens and naturalized Filipinos already engaged in retail trade will be allowed a grace period of two years to wind up their operations subject to supervision by the National Food Authority.

"There are places in the Philippines today where foreign traders manipulate the supply to justify increase in prices," Pacificador said. "Since rice and corn are also necessary for the livestock industry, the chain reaction is that producers of livestock and poultry are compelled to jack up their prices."

CSO: 4200/1008

## PHILIPPINES

### BRIEFS

KMU NATIONAL COUNCIL ARRESTS--It happened way back July 22, but the Kilusang Mayo Uno has been losing sleep over the arrest of its National Council members and four union coordinators. Arrested allegedly by military operatives were: KMU national council member Romeo Castillo and local union area coordinator Fernando Reyes, Herminia Ibarra, Cesar Bristol and Danilo Garcia. Says Rolando M. Olalia, KMU chairman, in a statement: "The arrest of the five KMU leaders is reminiscent of the crackdown made by military agents on the KMU leadership on August 13, 1982 which included Felixberto Olalia Sr., Crispin Beltran and Bonifacio Tupaz, among others." The military establishment has yet to divulge the whereabouts of the five arrested KMU members. [Text] [Quezon City VERITAS in English 5-11 Aug 84 p 3]

DEPUTY DEFENSE MINISTER MEETS SRV ENVOY--VIETNAMESE ENVOY--Defense Deputy Minister Jose M. Crisol (right) emphasizes a point during his talk with Ambassador Hoang Hoan Nginh of Vietnam. The Vietnamese envoy paid a courtesy call at the Ministry of National Defense in Camp Aguinaldo, Quezon City, last Friday. [Photo caption] [Text] [Manila BULLETIN TODAY in English 13 Aug 84 p 12]

CSO: 4200/1008

## THAILAND

### SCHOLARSHIP STUDENTS DESCRIBE LIFE IN USSR

Bangkok NAEO NA in Thai 4 Apr 84 pp 5, 11

[Article: "Meeting Thai Students in Kiev"]

[Excerpt] On the second day in Kiev as we were eating our noon meal at the hotel, a group of Thai young people came and asked to meet Mr Chan Waraphiphankamthra.

We questioned them and found out that they were a group of Thai students, and one of them was a friend of Chan's. He knew that Chan was with our group and so came to meet him.

Medical Professor Wiki knew that there were Thai students who had come to study here and was happy to meet them. He persuaded them to come out and talk.

Two young men whose names I remember were Enok Laophatananon and Arunothai Withayawethang.

Arunothai is the son of an author and reporter with the pen name "Yotthong Thapthiwmmai."

Arunothai or "Tum" said that many foreign students received scholarships to study at Kiev University. They came from many different countries.

The Thai students alone here with scholarships number 11 (and if those in Moscow are included, would number 20).

The Thai students who received scholarships were studying good subjects. Arunothai was studying medicine. Enok was studying architecture. In addition some were studying nursing, some pharmacology.

There was one (standing on my left in the picture) who was studying cinematography, which was appropriate because she seemed brave and quick-witted. I think she looked like an artist.

Our government has specified that Thai students with scholarships to study in Russia must complete university study in Thailand first.

If they just complete secondary education they cannot go.

I feel that they have specified this because they want those who go to study to be adults in their thinking and not be easily infatuated.

Therefore our scholarship students who go are repeating somewhat after completing their bachelor degrees at home.

When we went to see the various places in the city that afternoon, we asked permission of Luda to invite the Thai students to ride with us.

Enok did well in giving the various facts about Russia in which I was interested, for example, about safety and property; the problem of crime is almost nonexistent.

Late at night women can walk the streets safely and not fear being robbed.

I asked about the rooms--flats where they stayed. Had any been robbed? Enok answered that there might have been, but very few.

Cases of murdering prostitutes--I have not heard of any since I have been here.

Because the penalty for robbery and such crimes is "expensive" and "severe," no one dares to "take a chance." If you are jailed in Russia, you do not get in and out quickly and then chase and kill witnesses easily as in our country.

Even in the university, if a student from some country causes a quarrel, he is sent home. A group can get in a fight easily as in our country, but that does not mean that you will see one.

I asked Arunothai if one had to know Russian. He answered that one had to. Students of every nation who came had to spend a year studying Russian. Then they could start studying their other courses in the second year.

-- When on scholarship how much do they give you to use per month?

"Eighty rubles per month, or about 2500 baht. If you do not go out and are not wasteful, it is enough."

-- What about food?

"No problem--if we want to eat Thai food, we can prepare it at our dormitory. When all 11 of us are together, we can make food for many people."

-- Do you return home every year?

"Airplane tickets are expensive. You can use the ticket price to fly to Thailand for a trip to many European countries in the summer."

-- Are there obligations with the scholarships? When you graduate, do you have to work for them or anything else?

"Not at all--when we graduate, it is up to us. There are no conditions."

8149

CSO: 4207/133

COMMUNIST VIEWS POSSIBILITY OF ATHIT AS PRIME MINISTER

Bangkok BAN MUANG in Thai 5 Apr 84 p 5

[Editorial: "The (Correct) Course of Athit"]

[Text] I am trying not to write about amending the Constitution because I feel that my readers are tired of it.

It is like listening to one's wife complaining about the same thing all the time.

But when I sit amidst the flow of news I am compelled to write because

He will take things seriously.

Because if this were not true, the Democratic Party, which now feels that he intends to be "a political leader" even more than many other parties, would probably not jump to be in the front lines of the fight.

Mr Chuan Likphai, after he was a minister, "took vows" and became such a devout priest that he blurted things out.

The Democratic Party is starting a large movement to resist changes in the Constitution. They have reached the point where they have appealed to public opinion in opposing amending the Constitution.

They will have a big address.

The weekly newspaper MATIMAHARATSADON of the Narunarot Phrapanya group, 5 April issue, Rahat Khao column, reported that an important news analyst had predicted that the political temperature after Prem returned from America would be sizzling hot.

And the same column also reported that another news source insisted that there would be a new chapter in the political game during the coming hot season.



The Democratic Party will run into difficulties because the formula for adjusting the new Council of Ministers does not include the Democratic Party's name.

It will just include the Chatthai Party [Thai Nation Party] the Kitsangkhom Pardy [Social Action Party], and the PrachakonThai Party [Thai People's Party].

It is certain that Gen Athit Kamlangek will rise to the position of interior minister in preparation for becoming prime minister.

Gen Sithi Chirarot has a small claim.

The basis for the insistance by the weekly newspaper MATIMAHARATSADON that the Constitution would really be amended was because Athit was a government official, and if he were to be interior minister the Constitution would have to be amended.

But I do not believe that this is definitely what Athit thinks.

I suspect that this is a children's [subordinates'] story, and one probably cannot escape the fact that they are Athit's children.

Because Athit probably would not like the position of interior minister, which Sithi Chirarot has.

Athit has reached the position of supreme military commander and army commander, which is an excellent position, better than minister of interior.

You might say it was not necessary for him to come down to prepare to be prime minister by following in the footsteps of Prem.

Athit now has the ability to occupy the prime minister's chair in the Government Building and could run things now without further practice.

Therefore I do not believe that this is what Athit thinks. This is a story from Athit's children.

Make plans for a "parade" of officers.

Therefore the story that Chuan Likphai blurted out that experts in the Personnel Division were making plans to amend the Constitution is not a current story, and Chuan insists that if there is no evidence he will not talk.

And I believe Athit when he announced that which we have heard clearly many times: he was not ambitious.

He said it was fine if things stayed the way they were.

But I fear that his children will get him into difficulty.

The children of Athit are children with a problem. They want Athit to be prime minister because they are confident that he is capable and suitable (the most).

I believe that also.

But for Athit to become prime minister would require amending the Constitution.

This is the sticking point.

But I believe that Athit has the right to be prime minister without amending the Constitution to allow him to be prime minister, supreme military commander, and army commander.

Look at Prem for example.

I believe that the support of many political parties and a majority in the Assembly would be enough to allow Athit to be prime minister.

Athit would be a prime minister [alone] with more pride and confidence than he would be with three riders on one horse.

Because it would be like not having confidence in his friends.

Prem was able to bring out the transcendent virtues in Athit so that he was loyal. Athit is able to bring out the transcendent virtues in his friends and subordinates so that they are loyal to him also.

8149

CSO: 4207/133

## BRIEFS

BRIBES TO AVOID DRAFT--Mr Songop Thimani, a Democratic Party assemblyman from Songkhla, told reporters at the Assembly yesterday that it was the draft season and he, as a representative of the people, had received many complaints from people in Songkhla Province that bribes were being given to the people in charge of the draft in order to avoid being drafted. They were paying the following amounts: 10,000 baht per person in a municle area, 8000 baht per person outside a municle area, and 6000 baht per person in the various districts in the countryside. Mr Songop said that he had sent letters complaining of this to the Prime Minister and to the people in charge so that there would be a real investigation and supervision. This was an important matter for the stability of the country, and it also affected justice in our society. Assemblyman Songop said that every year the people who were drafted were usually poor and had no money to pay to avoid the draft. What was important was that some of those who were drafted were not sufficiently strong. This meant that the nation's soldiers were not as good as they should be. And it created bad feelings between the poor people and the army and other officials involved. Assemblyman Songop revealed that from his conversation with assemblyman friends from other provinces he had learned there was dishonesty in the draft in many provinces. [Text] [Bangkok THAI RAT in Thai 5 Apr 84 pp 3,2] 8149

CSO: 4207/133

PRIME MINISTER SAYS NUCLEAR SHIPS WELCOME

Auckland THE NEW ZEALAND HERALD in English 13 Aug 84 p 4

[Text] The Prime Minister of Western Samoa, Tofilau Eti, said last night that his country would grant entry to all friendly warships.

Tofilau Eti has joined the Prime Minister of the Cook Islands, Sir Thomas Davis, and the Prime Minister of Tonga, Tu'ipelehake, in reaffirming his country's policy of free access for friendly warships, including United States nuclear-powered vessels.

'Safely'

He said his country did not have a written policy on the matter. It should not become a political issue in his view.

"I think that whenever allied ships want to call, we should let them come in. It is not for us to question which are nuclear ships--others have had the experience of handling them quite safely."

In Auckland yesterday, enroute to Apia from the Commonwealth regional heads of government meeting at Port Moresby, he said Western Samoa might be forced to embargo some New Zealand products whose prices had increased since the New Zealand devaluation.

Because Samoa had devalued its own currency by 10 percent, in an attempt to match the New Zealand move, Samoan importers were paying more than other Pacific Island importers for some New Zealand products.

Prices

Meanwhile, the Tongan trade promotion officer in Auckland, Venusi Taumeapeau, said he had been told that one of the New Zealand companies which had increased its prices, R. and W. Hellaby Ltd, was sending a delegation to Tonga to discuss prices with the Tonga Chamber of Commerce.

The chamber has banned Hellaby products because of price increases.

CSO: 4200/1031

## PARTY ACTIVITIES AND GOVERNMENT

### DAO DUY TUNG ON BROADENING ON-THE-JOB THEORETICAL EDUCATION

Hanoi GIAO DUC LY LUAN in Vietnamese No 3, May-Jun 84 pp 1-5

[Article by Dao Duy Tung: "Some Problems of On-the-Job Political Theoretical Education"\*]

[Text] /I. Some Concepts of On-the-Job Education/ [in capitals]

Political theoretical education plays a very important role in the ideological and cultural revolution. It is a popular and direct educational method to disseminate the Marxist-Leninist world outlook and the party line among cadres, party members and the people. To our knowledge, a fundamental goal of the ideological and cultural revolution is to ensure that the Marxist-Leninist doctrine occupies a predominant position in the moral life of our people. This goal can be achieved only through the combined action of all branches on the ideological front: One branch is devoted to sentimental education while another deeply inspires the faculty of reasoning; another directly instills the world outlook while another again reaches this aim less directly. Of all these branches, the one in charge of inculcating the Marxist-Leninist doctrine and the party line through the network of centralized and on-the-job party schools and training courses has a special function and cannot be replaced by any other. In this network, the dissemination of the world outlook and viewpoint of the party is effected through the direct teaching of the Marxist-Leninist principles and party concepts.

On-the-job political theoretical education has these advantages: First, the student does not have to give up his productive work for long so that it is possible to mobilize many people--sometimes the whole party--to participate in the study; second, this educational form permits everyone to improve his political theoretical standard all his lifetime (the "party school year" is held regularly for all cadres and party members in the fraternal countries); and, third, by attracting so large a number of students, the study movement

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\* Summary of speech by Dao Duy Tung, director of the Party Central Committee Propaganda and Training Department, at the national conference held in Ho Chi Minh City in early April 1984 to discuss the implementation of Decision No 30 of the Party Central Committee Secretariat. The article title is given by the magazine GIAO DUC LY LUAN.

can, in some respects and at a given time, take on a mass character and easily bring about a great and rapid change in awareness (for example, through the study of specialized subjects of the Fourth and Fifth [Party] Congress).

We have recently exerted great efforts in political theoretical education. More than 1 million cadres and party members have learned basic theoretical curricula mainly under the on-the-job study system, 1.5 million people have studied the Fourth Congress resolution and 100,000 cadres and party members are currently studying specialized subject matters contained in the Fifth [Congress] resolution; all that is concrete proof of our endeavor. The provinces of Thai Binh, Nghe Tinh, Ha Bac, Thanh Hoa and Quang Ninh, the cities of Haiphong, Hanoi and Ho Chi Minh and the provinces of Hau Giang, Vinh Phu and so forth have conducted the on-the-job study relatively satisfactorily in many respects. The provinces of Nghia Binh, Quang Nam-Da Nang, Ben Tre, Binh Tri Thien, Lai Chau, Son La, Ha Son Binh and others have properly organized the study of specialized subject matters in the Fifth Congress resolution. The on-the-job study movement in the above-mentioned provinces and cities have given us many experimental lessons as pointed out in a report.

Actually, good work is not the only aspect. Many localities have not yet broadly organized the on-the-job study of political theories. In this connection, there are perhaps many reasons such as the occasionally loose guidance by the Propaganda and Training Department and the fact that the body of part-time lecturers has not yet been formed in many areas...But a major cause is the failure of certain party organizations to realize clearly the role of on-the-job theoretical education in propagating the world outlook, scientific methodology, revolutionary philosophy of life and viewpoint of the party among cadres, party members and the people.

Therefore, making party organizations and cadres and party members correctly understand the important role of on-the-job education as a form of disseminating the world outlook and viewpoint of the party is a prerequisite for stepping up the on-the-job study movement. In reality, building an on-the-job study system to teach the world outlook is not a novelty. Under the feudal regime, to propagate the Confucian world outlook, the feudal class established only a certain number of centralized schools and relied mainly on the on-the-job educational system based on a Confucian scholar and a classroom in each hamlet; students came to the classroom to study for a few hours everyday and then return home to perform labor. Catholicism widely used the "on-the-job" formula: In any village where there was a church, there was a priest to disseminate the religious tenets regularly; believers woke up and said their prayers at 4:30 am when the church bells rang and they went to church on Sundays to hear sermons. By using this educational form, the Church has instilled the idealistic world outlook into hundreds of millions of people on the earth for many successive generations. Since we possess a scientific world outlook, are holding power and have cadres and means...at our disposal, why haven't we tried to organize the broad dissemination of this world outlook by applying the on-the-job educational method? Everyone of us must ponder this question.

/II. Setting Targets to Reach in On-the-Job Political Theoretical Education/  
[in capitals]

The Fifth Congress has set forth four socioeconomic targets for the 1980's. Our party and state are formulating an economic, ideological and cultural strategy. If so, have we set targets and plans for the 1984-90 period for our on-the-job political theoretical education? Of course, we have because they are factors to be taken into consideration while working out an ideological and cultural strategy. The determination of these targets must inevitably be based on the function and objectives of the ideological task, on the mission of the on-the-job political theoretical education and on the political standard of cadres and party members. To our knowledge, all political tasks of the party are aimed at the following targets:

- Contributing to stepping up the fulfillment of the political mission;
- Contributing to the development of the new man;
- Contributing to shaping up the socialist concept; and
- Contributing to building the party, training and improving cadres and party members.

It is impossible to neglect the above-mentioned targets when setting the goals of on-the-job political theoretical education. Naturally, the mission and characteristics of on-the-job theoretical education must be taken into account to set a realistic level to be reached. For example, by the year 1990, what targets must we have fulfilled in equipping cadres, party members and the people with the party's world outlook and viewpoint? These are qualitative targets. At the same time, we must set quantitative ones such as the number of students in the next 6 years and the corresponding network of schools, classrooms and material-technical facilities. This plan must have two important bases:

--First and foremost, it is necessary clearly to define the need to equip cadres, party members and the people with the world outlook in the next 6 years. This problem must be pondered carefully. During this initial stage, an acute class struggle will take place. An unshakable class standpoint will be an important factor. Generations are succeeding each other among the cadres' ranks. Something must be done to ensure that the next generations inherit and further develop the revolutionary and scientific spirit of the previous ones. In the face of accumulated difficulties, political steadfastness is of the utmost importance. Now more than ever, a thorough understanding of the [party] line is the prime guarantee of success....All that points to the urgent need to broaden the teaching of the world outlook, philosophy of life and line of the party among cadres, party members and the people. Prior to her assignment to a kindergarten, a female teacher has to undergo a 2- to 3-year training. If so, what sort of knowledge of political science and art must a party committee secretary have if he is to lead a village with a population of 5,000 to 10,000 to a prosperous life? And to what extent must a party and union member and a worker be educated politically? These questions must be thought over very carefully in setting the targets.

Everyday without a moment's interruption, the enemy has been trying by all means and methods to smash our people's belief in communism and destroy the revolutionary concept of life which had been developed and he has been using propaganda to denigrate the party line and win over the hearts and minds of the masses. Everyday religions have also been intensifying the propagation of

their own world outlooks. We cannot remain indifferent to this situation. Numerous measures must be taken to expand the socialist battlefield and imbue the masses ever more deeply with the Marxist-Leninist world outlook.

Foregoing are some suggestions about the bases on which to formulate a plan to broaden the on-the-job political theoretical education. I propose that, after this conference, you comrades coordinate with the agencies concerned to start drawing up an on-the-job political theoretical education plan which, if soundly formulated and approved by party committees at all echelons, will make an important contribution to the success of on-the-job study.

### /III. Improving the Quality and Increasing the Effectiveness of On-the-Job Political Theoretical Education/ [in capitals]

In recent years, the fraternal socialist countries and we ourselves have spoken much about production quality and effectiveness. We already know the reason for such emphasis. However, quality and effectiveness are not only a problem in the economic field but also a major issue in the ideological task. It has been raised for two reasons: In practice, not all of our ideological activities have had a good quality and proven highly effective; beside well-done tasks, many others have been carried out unsatisfactorily with little effectiveness. Though we possess a large ideological task apparatus and better propaganda tools than in the past, the questions still are: To what extent has the voice of the party reached the masses? To what extent have we prevailed over public opinion in each locality? How many of the numerous questions related to daily life and put by the masses have we answered? How many inaccurate articles and news items have been published by newspapers? Of the more than 1,000 new books published each year, how many have reached the right readers and proven useful? We have arranged for 1.5 million people to study the Congress resolution--each spending 5 days learning it, which amounts to a loss of about 7 million working days--but is the result obtained commensurate with the effort? Are our ideological task cadres aware of the effect of their work?...We must admit that the quality and effectiveness of the ideological work are still low. In his book "Capital," Marx said that bees build their hives by instinct but before doing something, man has to think of the way to do it and of its result. This is a necessity of life. In practice, however, not everyone is aware of it. As revolutionaries, when doing whatever task, we must constantly think about its final result.

So what criteria must be used to assess the effectiveness of on-the-job political theoretical education? The students' number represents only the quantitative result but we cannot assess effectiveness merely by taking quantity into account. Following are a few suggestions about the criteria for evaluating the result of an on-the-job political theoretical course:

--What effect have the notions, categorizations and laws learned by the student exerted on his viewpoint and method of examining social problems--in other words, on his world outlook?

--Have the subject matters learned by the student endowed him with a scientific basis for understanding the revolutionary line more correctly and deeply?



--Have all these knowledges equipped the student with political grounds not only for examining common problems of the revolution but more importantly for contributing something to the working sphere for which he is responsible and so forth?

Specific criteria must be set when a training course has 15 specialized subject matters. How can persons in charge of on-the-job political theoretical education get to know the result? We must say so because we have to ponder carefully when doing this task. Of course, quality cannot be improved immediately and the result will be limited because the education movement has just been developed. This is the ordinary course of things so that we will have to advance gradually without seeking perfection. Nevertheless, under certain conditions, we must do our utmost to achieve the highest effectiveness.

/IV. In Both the Short and Long Terms, What Must Be Done to Improve Quality and Effectiveness?/ [in capitals]

The quality and effectiveness of on-the-job study courses depend on many factors which are as follows:

1. Will an overall plan for on-the-job theoretical education meet the revolutionary requirements and conform to the actual possibilities?
2. Will the network of schools and training courses be strong enough?
3. How will the curricula be applied to each type of student?
4. Will the body of lecturers be strong or weak?
5. Will the learning organizational forms and learning methods be suitable?
6. Availability of material means such as auditoriums, libraries, intuitive educational instruments and so on.
7. Concern shown by party committees at various echelons and by leading comrades.
8. Promulgation of systems designed to encourage on-the-job study.

In striving for the maximum effectiveness, we must examine these factors from all points of view. It is certainly impossible to complete all these factors in a short time.

I now wish to draw your attention to this point: The formation of a body of lecturers is a decisive factor in on-the-job political theoretical education. In many areas, this formation has not yet been considered really important. Of course, it is a difficult task. Therefore, it is necessary to have a correct viewpoint and concept and a realistic plan and also to display constructive persistence. Everyone knows that a contingent of socialist intellectuals is indispensable for socialist construction. Political lecturers are part of this contingent of the party and state and have the duty to propagate the world

outlook of the party and defend its standpoint. Any ruling class includes an intelligentsia an important section of which is composed of persons directly spreading the world outlook and political viewpoint of this class. This has been done by the slave-owner, landlord and feudal classes and the bourgeoisie. The proletariat must necessarily form its own intelligentsia.

From the quantitative point of view, the political lecturers' contingent must gradually meet the Marxist-Leninist study needs of cadres, party members and the people. In the Soviet Union, there is a fairly large number of lecturers and cadres in charge of guiding political theoretical study and the overwhelming majority of them have a college degree. Naturally, qualifications are an important factor. In our country, this formation must be carried out step by step and if each province and city have about 50 to 100 part-time lecturers and each village 5 to 7 of them, we will have a body of lecturers numbering a few tens of thousands.

As for the composition of the body of lecturers, the number of responsible full-time ones will be small while the part-time ones will constitute the majority. Where can they be found? This contingent will include well-learned leading cadres who have studied theories and have teaching capabilities, cadres specialized in teaching and belonging to centralized schools, scientific-technical cadres with pedagogical abilities, retired comrades and so forth. These people are a source from which to build up the lecturers' contingent. Though part-time lecturers are said to be the principal ones, all schools and training courses must have a minimum number of responsible lecturers. If each school has about 10 responsible cadres with fairly good teaching capabilities and also a number of part-time ones, the on-the-job theoretical education system may be expanded.

Lecturers must be systematically trained in theories, current policies, actual situation and methods. It is possible to create lecturers' and speakers' advanced training courses within on-the-job party schools? Classrooms for this purpose already exist in the system. Material facilities are supplied by on-the-job schools so that the remaining question is how to formulate themes, to procure other means and to organize well.

It is hoped that after this conference, you will exert great efforts to build a contingent of on-the-job lecturers. May I reiterate that this */is the most decisive factor/* [in italics] in broadening the on-the-job political theoretical study movement.

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